



Barclays Comprometido con Panamá y la Región con Grandes Oportunidades para el Futuro

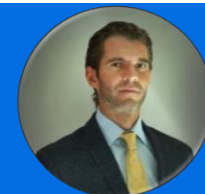
Julio 2024



Speaker Introduction

Raúl Martínez-Ostos

Chairman and CEO of Barclays Mexico & LatAm



Raúl Martínez-Ostos is Chairman of the Board and CEO for Mexico at Barclays, a position he has occupied since 2012. In this role, he is responsible for overseeing all of the bank's business activities and regulatory issues in Mexico. He has also served as Vice Chairman of the Mexican Bankers' Association since 2019, representing the 14 international banks with non-retail operations in the country. In addition to his role in Mexico, he was appointed CEO of Barclays in Latin America in 2022.

Mr. Martínez-Ostos has an investment banking and capital markets career in the financial industry that spans more than 30 years, including tenures in both the public and private sectors in Mexico. He joined Barclays in 2012 from Deutsche Bank, where he spent 9 years leading the capital markets and treasury solutions effort for Mexico, Central America and the Caribbean in New York, among other responsibilities.

Prior to joining Deutsche Bank, Mr. Martínez-Ostos held various positions at the Ministry of Finance and Public Credit of Mexico from 1999 to 2003, including Spokesman for the Ministry of Finance under Secretary Francisco Gil Diaz, Chief of Staff of the Under Secretary Agustín Carstens and Deputy General Director of Financial Planning.

Raúl began his career at the Economic Research Department at Banco de Mexico (Central Bank) from 1993 to 1996. He later worked at Farallon Capital Management, a hedge fund that specializes in risk-arbitrage, real state, private equity and distressed securities.

Mr. Martínez-Ostos holds a bachelor's degree in Economics from the Instituto Tecnológico Autonomo de Mexico (ITAM) where he graduated Summa Cum Laude, and as a Fulbright Scholar received two Master's degrees in International and Development Economics and Business Administration from Yale University. Raúl was awarded first place in the prestigious Banamex National Economics Competition for his thesis on banking crises, irrational bubbles, and financial regulation. He also taught economics and business at ITAM and Yale. Currently, Mr. Martínez-Ostos sits on the board of directors of the Yale School of Management (SOM) and co-chairs the Mexican alumni board of SOM. In 2016, Mr. Martínez-Ostos received the ITAM Excellence Award for his contribution to the Mexican financial industry.

Agenda

- 1 Panorama Global Macroeconómico
- 2 Perspectivas para Latinoamérica y Panamá
- 3 Plataforma Global de Barclays y Compromiso con la Región
- 4 SMV como Catalizador del Desarrollo de Mercados

Panorama Global Macroeconómico

Global Market Themes

The FOMC maintains the funds rate at 5.25-5.50% in its June meeting and recent macro data is supportive of the easing cycle starting soon. Meanwhile, the ECB lowers its key policy rates by 25bps in its June meeting, but maintains a data-dependent approach for the next move

1

Steady global growth



Global growth remains steady as our 2024 growth forecasts now aggregate to 3.1%, implying an almost unchanged pace from 2023 (3.2%)

Even if data suggest some cooling in the US economy, its overall growth dynamic remains supported by continuing robust consumption on the back of a still-strong labor market and positive wealth effects

Our US growth projection for 2024 stands at 2.5%. That, and resilient EM as the global manufacturing cycle recovers, compensates for a slowing China

3

Political changes remain a focus



2024 is one of the biggest global election years in history and a number of surprise election outcomes in recent months have further emphasized how much political change can matter for markets

Examples include Argentina, India or South Africa. 'Voter dependence' for markets was also seen in recent European elections where large gains for the far right, especially in France, raised EU cohesion concerns

Furthermore, the biggest uncertainty still lies ahead with the US election in November

2

Sticky inflation



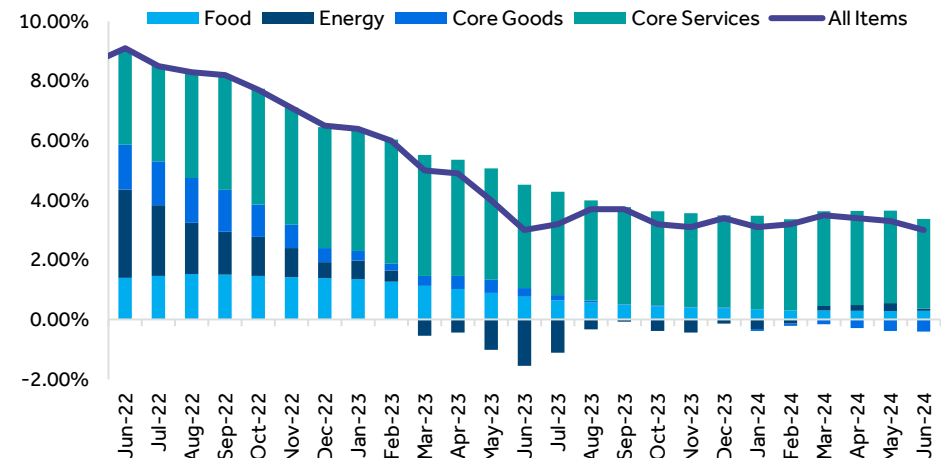
On the flip-side of steady growth, however, inflation has proven to be somewhat sticky in certain areas of the economy

After the 'easy' gains from the reversal of earlier pandemic and energy supply shocks were largely made in 2023, further progress would have to come from decelerating services inflation

However, tight labor markets and robust wage growth, especially in the US and Europe, keep services inflation elevated




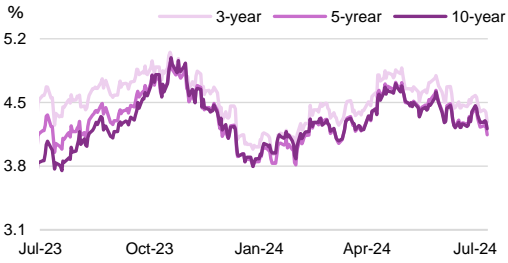

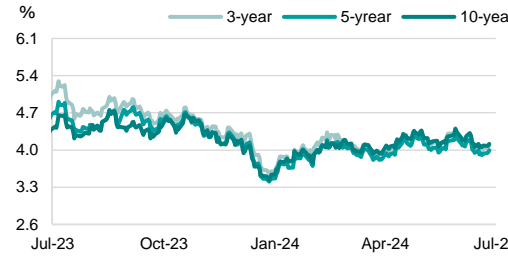
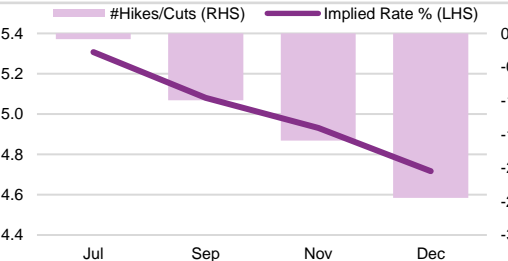
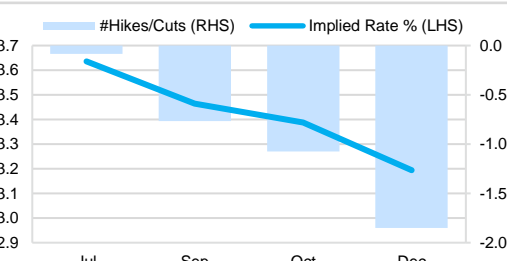
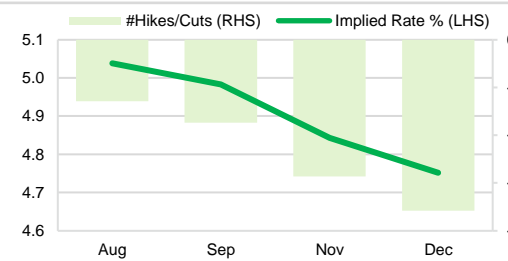
4

US CPI Inflation



Central Bank Decisions will Remain Data Dependent Going Forward

The focus is now on timing of the first cut and speed of the cutting cycle. We expect each meeting has headline risk

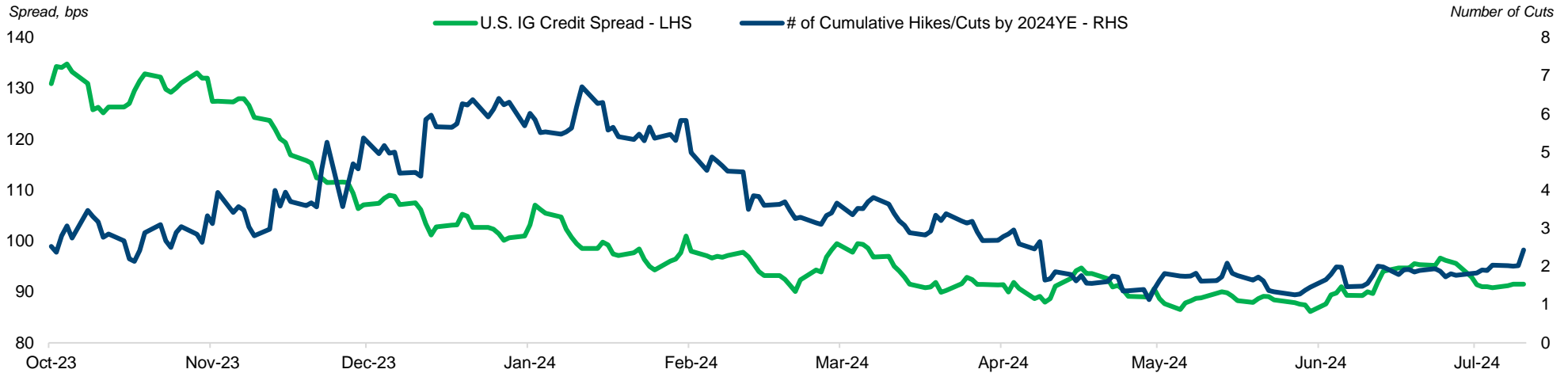
Central Bank	Fed	ECB	BoE
			
Comments	On June 12 th , the FOMC acted in line with expectations, electing to pause and leave the federal funds rate unchanged at 5.25%-5.50% for the seventh straight meeting. In the press conference, officials indicated that one cut during 2024 is the most likely scenario	On June 6 th , the ECB delivered the interest-rate reduction it had been flagging for months (in line with market expectations), but stopped short of indicating more may follow. Having held the 4.00% rate for nine months, they indicated that inflation outlook has improved "markedly", though they'll keep policy rates sufficiently restrictive for as long as necessary	On June 20 th , the UK's MPC held the bank rate at 5.25% with a 7-2 (hold-cut) vote but indicated that it is on course for a cut in the coming months amid encouraging news on inflation. Twelve-month CPI inflation fell to 2.0% in May from 3.2% in March, in line with the MPC's target
Current rate	5.25-5.50%	3.75% (deposit facility rate)	5.25%
Expected future rate changes per Barclays Research	Following last week's inflation print, we now expect two 25bps cuts for this year in September and December 2024	Two more 25bps cuts this year, after the first cut delivered in June 2024 (as forecasted by Barclays)	Three 25bps cuts this year starting in August 2024
Next meeting	July 31 st	July 18 th	August 1 st
Rates performance			
Cumulative market-implied cuts			

Source: Barclays, Bloomberg as of July 11, 2024.

Fed Funds Rate Expectations

Fed Funds expectations now show ~2.4 cuts and an implied rate of 4.72% by YE. Despite more hawkish Fed cut expectations vis-à-vis the beginning of the year, credit spreads have continued to tighten. Furthermore, inflation cooled broadly in June to the slowest pace since 2021 on the back of a long-awaited slowdown in housing costs, sending the strongest signal yet that the Federal Reserve can cut interest rates soon

US IG Credit Spreads Continue to Tighten Despite Lower Expected Fed Cuts

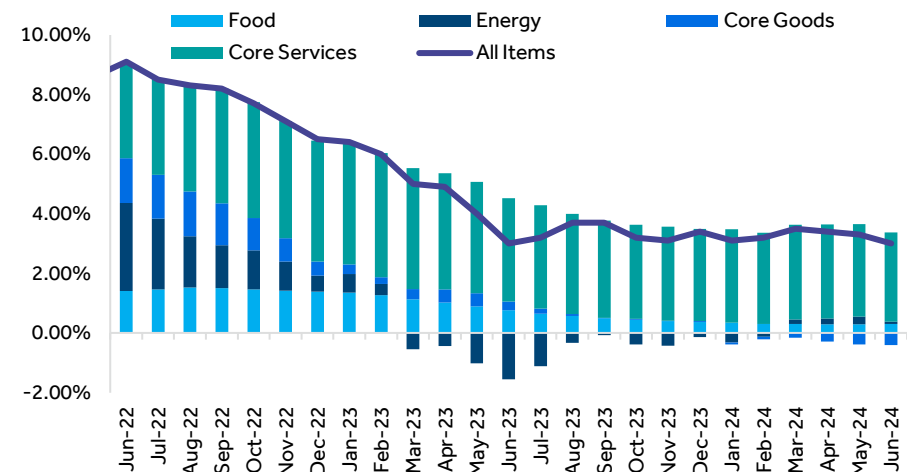


Fed Fund Expectations

Fed Funds Rates Markets Expectations	Today		Jan 2 nd , 2024		YTD Δ	
	#Hikes/Cuts (RHS)	Implied Rate (LHS)	#Hikes/Cuts (RHS)	Implied Rate (LHS)	# Hikes	Rate
Jul-24	-0.1	5.31%	-3.7	4.40%	-3.6	91 bps
Sep-24	-1.0	5.08%	-4.7	4.16%	-3.7	92 bps
Nov-24	-1.6	4.93%	-5.4	3.99%	-3.8	95 bps
Dec-24	-2.4	4.72%	-6.0	3.83%	-3.6	90 bps
Jan-25	-3.1	4.55%	-6.6	3.67%	-3.5	88 bps

At the start of the year, the market expected 6 cuts and an implied Fed Funds rate of 3.83% by YE, today the market expects ~2.4 cuts and an implied rate 90bps wider of 4.72%

US Inflation is broadly cooling, recently increasing the odds of a 1st Cut



Source: Barclays, Bloomberg as of July 11, 2024.

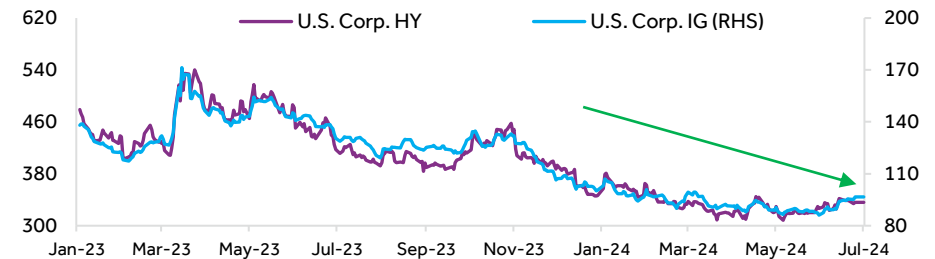
USD Market Overview

US credit markets have been quite upbeat in 2024 on the back of strong yield-driven demand. Heavier-than-expected issuance has been well received, leading to spread tightening in secondary markets despite ongoing volatility in rates

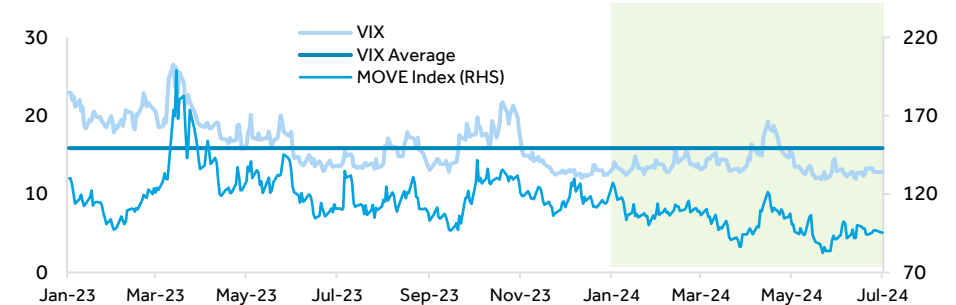
Markets Overview						
	Today	01-Jan-24	1Wk Δ	1Mo Δ	YTD Δ	Δ Oct '23
US Treasuries						
30YR	4.52%	4.07%	+7bps	+10bps	+46bps	-41bps
10YR	4.35%	3.93%	+3bps	+8bps	+43bps	-46bps
5YR	4.30%	3.91%	-2bps	+3bps	+41bps	-50bps
3YR	4.47%	4.09%	-4bps	-1bps	+40bps	-43bps
Global and US Credit Indices						
Global Aggregate USD (1)	93bps	107bps	-4bps	+3bps	-14bps	-33bps
Global Corporate USD (2)	102bps	118bps	-5bps	+2bps	-16bps	-39bps
Global Govt-Related USD (3)	46bps	50bps	-1bps	+2bps	-4bps	-7bps
US Aggregate IG (4)	49bps	53bps	-0bps	+1bps	-4bps	-16bps
US Aggregate Corporate IG (5)	91bps	103bps	-5bps	+2bps	-12bps	-36bps
US Aggregate Financial Index (6)	95bps	117bps	-5bps	+2bps	-22bps	-55bps
US Aggregate Corporate HY (7)	335bps	357bps	+2bps	+1bps	-22bps	-103bps
Global Equities						
S&P	5,537	4,743	+1%	+5%	+17%	+27%
Nasdaq	18,188	14,766	+3%	+8%	+23%	+35%
DOW	39,308	37,715	+1%	+2%	+4%	+15%
Gold, WTI, VIX						
USD Exch. Rate Index	\$105.4	\$102.2	-\$1	+\$1	+\$3	+\$0
Gold Spot	\$2357.5	\$2059.0	+\$59	\$6.8	+\$299	+\$365
WTI Crude Oil	\$83.3	\$70.4	2.42	10	+\$13	+\$3
Natural Gas	\$2.4	\$2.6	-0.331	-0.161	-\$0	-\$1
VIX Index	12.1	13.2	-0.5	-1.0	-1.1	-8.3
MOVE Index	107.5	127.0	+10.5	+7.4	-19.5	-11.2

Source: Bloomberg; Bloomberg Barclays Indices; Barclays Research as of July 4, 2024. (1) Number of credits: 19,402 / Maturity: 8.71yrs. (2) Number of credits: 16,280 / Maturity: 8.78yrs. (3) Number of credits: 6,297 / Maturity: 7.45yrs. (4) Number of credits: 13,530 / Maturity: 8.53yrs. (5) Number of credits: 7,957 / Maturity: 10.85yrs. (6) Number of credits: 2,156 / Maturity: 7.52yrs. (7) Number of credits: 1,957 / Maturity: 4.87yrs

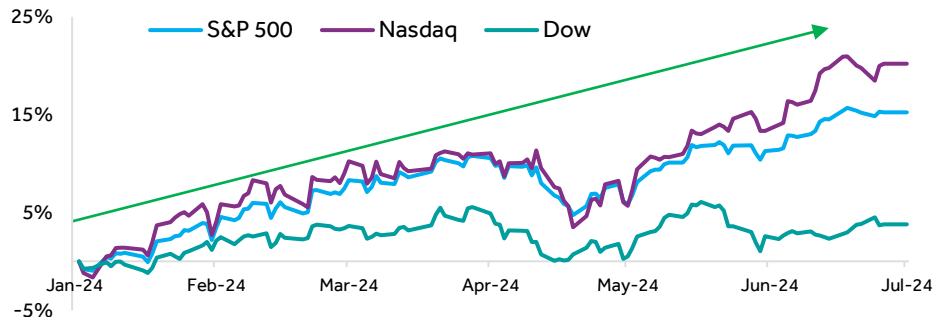
IG & HY US Index (spread, bps)



VIX Index and MOVE Index (pts)



US Equities (YTD, indexed %)



Perspectivas para Latinoamérica y Panamá

Latin America Overview

Growth convergence: Mexico, Panama and Brazil led growth in 2023 but might decelerate into 2024, although at different speeds. Chile, Colombia and Peru reported weaker numbers, but have more space for growth

Resilient Growth and Continued Potential

- **Resilient growth despite deceleration across other major economies this year:**
 - Panama's averaged growth has been 4.5% y/y in the past ten years, one of the highest in the region. This year's growth is expected to decelerate slightly, affected by the suspension of mining activity. However, **we expect a rebound to historical trends in 2025**
 - Mexico and Brazil will probably grow at 2.4% y/y and 2.3% y/y, respectively, maintaining good momentum despite some slowing from 2023. Chile has surprised to the upside, and the apparently sustained increase in copper prices is helping. In the case of Colombia, the worst seems to be behind us, and although Peru is still struggling to come out of a recession, it should post positive numbers
- **Slower disinflation.** The region registered almost synchronized disinflation processes last year after shocks from the pandemic and Ukrainian war eased. However, this has slowed in recent months and inflation is starting to stabilize; we still expect it to approach central banks' targets for this and next year
- **With some idiosyncratic flavor.** Mexico currently enjoys political stability with focus on incoming administration priorities. Colombia is projecting higher fiscal deficits while Chile's reform momentum has lost steam. Argentina is muddling through, but high inflation is making it harder for them to obtain market access. Peru seems to have lost its political compass, and Brazil will hold general elections in October
- **Central banks have become more cautious.** Some because of slower disinflation, other more Fed-sensitive banks because of its more-hawkish stance, but for the majority, simply because their easing cycles are closer to ending. Potentially looser fiscal policy as well as politics to a certain extent have played relevant roles in some countries
- **In terms of monetary policy,** central banks in the major Latin American economies have started to cut their policy rates. We expect the whole region to synchronize and continue to cut at least for the second half of 2024, depending on when the US starts its easing cycle
- The Latin American region has a **big opportunity** to take advantage of **near-shoring** due to its relative closeness to US, European and Asian markets amid relatively peaceful environments
- Furthermore, **global investment portfolios have been growing at a very robust pace** and given increased geopolitical tensions in major economies (i.e. China, Russia, amongst others), **money managers view Latin America as an attractive pocket of growth and investment**

Latin America Overview (cont'd)

Despite recent volatility and political uncertainty in select markets, fundamental drivers of infrastructure, monetary policy, and politics in Latin America remain constructive

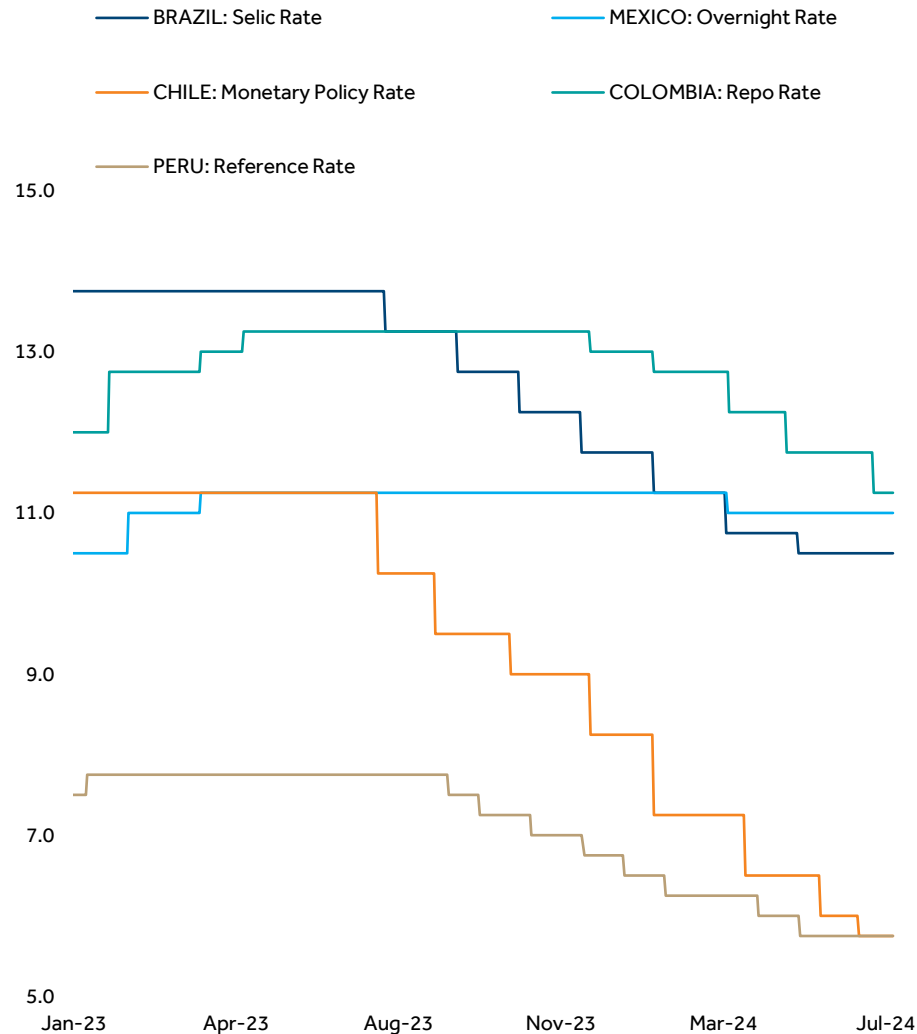
		Chile	Colombia	Perú	Panama	Brazil	Mexico
Macroeconomic Metrics	Credit Ratings (S&P / Moody's / Fitch)	A2 / A / A-	Baa2 / BB+ / BB+	Baa1 / BBB- / BBB	Baa3 / BBB / BB+	Ba2 / BB / BB	Baa2 / BBB / BBB-
	GDP (US\$bn) ('23YE/'24E) ⁽¹⁾	\$335 / \$330	\$364 / \$421	\$262 / \$272	\$83 / \$87	\$2,174 / \$2,188	\$1,792 / \$2,017
	Real GDP Growth ⁽²⁾ ('23A) / ('24E) / ('25E)	0.2% / 2.3% / 1.7%	0.6% / 1.8% / 3.0%	-0.6% / 1.9% / 2.0%	7.3% / 2.2% / 4.5%	2.9% / 2.2% / 1.9%	3.2% / 2.4% / 1.6%
	Public Debt as a % of GDP ('23E) ⁽³⁾	39%	59%	34%	56%	74%	47%
	5 Year CDS Bid Spread (bps)	51 bps	179 bps	71 bps	166 bps	149 bps	101 bps
	On the Run 10 Year Benchmark G-Spread (bps)	93 bps	318 bps	132 bps	250 bps	202 bps	178 bps
	Interest / Policy Rate	5.75%	11.25%	5.75%	5.25% - 5.50% ⁽⁴⁾	10.50%	11.00%
	Inflation ⁽⁵⁾ , % y/y ('23A) / ('24E) / ('25E)	3.9% / 4.0% / 3.5%	9.3% / 5.0% / 3.7%	3.2% / 2.3% / 2.5%	1.9% / 2.2% / 2.0%	4.6% / 3.9% / 3.6%	4.7% / 4.1% / 3.8%
	Unemployment ⁽⁶⁾ ('22A) / ('23E)	7.9% / 8.8%	11.2% / 10.8%	7.8% / 7.6%	8.7% / 8.5%	9.3% / 8.3%	3.3% / 2.9%

Source: Bloomberg, IMF, World Bank and Central Banks of respective countries. Note: Market data as of June 3rd, 2024. 1. Nominal GDP in US\$ as reported by the World Bank. 2. Source: IMF Data Mapper. 3. As reported by the International Monetary Fund (IMF – World Economic Outlook Database) 4. US Federal Funds Rate; Panama does not have an independent Central Bank, as it is dollarized. 5. Source of actual data and market forecast: Bloomberg. 6. As reported by the International Monetary Fund (IMF – World Economic Outlook Database)

Fine-tuning the Easing Cycles in LatAm

Latin American central banks led the easing cycle wave among EM, as the early tightening cycle led to disinflation and allowed them to cut rates ahead of the US Fed. Now they might have to be more careful as disinflation loses steam in certain economies

Central Bank Rates in LatAm: Easing Cycle Trends



Barclays Forecasts for LatAm & Central Bank Actions

	12-Month Inflation (%)				
	2023A	Latest YoY CPI per Quarter	Latest YoY CPI Reading	2024F	2025F
Brazil	4.6	4.6 (Q4'23) 3.9 (Q1'24)	3.7	3.9	3.6
Mexico	4.7	4.7 (Q4'23) 4.4 (Q1'24)	4.7	4.1	3.8
Chile	7.3	3.9 (Q4'23) 3.7 (Q1'24)	4.0	3.6	3.5
Colombia	12.5	9.3 (Q4'23) 7.4 (Q1'24)	7.2	5.9	3.9
Peru	6.3	3.4 (Q4'23) 2.7 (Q1'24)	2.1	2.4	2.4

	Monetary Policy Rate (%)				Meetings	
	2023 Max / 2023 Close	Current	2024F	Q2' 2025F	Latest Meeting	Next Meeting
Brazil	13.75 / 11.75	10.50	10.50	10.00	June 19 th (No Change)	July 31 st
Mexico	11.25 / 11.25	11.00	10.25	9.25	June 27 th (No Change)	August 8 th
Chile	11.25 / 8.25	5.75	4.50	4.25	June 18 th (25bps cut)	July 31 st
Colombia	13.25 / 13.00	11.25	8.00	7.00	June 28 th (50bps cut)	July 31 st
Peru	7.75 / 6.75	5.75	5.00	4.25	June 13 th (No Change)	August 8 th

	GDP Growth Forecasts (%)			
	2023A	Latest YoY GDP Quarterly Reading	2024F	2025F
Brazil	2.9	2.1 (Q4'23) 2.5 (Q1'24)	2.2	1.9
Mexico	3.2	2.5 (Q4'23) 1.6 (Q1'24)	2.4	1.6
Chile	-0.2	0.4 (Q4'23) 2.3 (Q1'24)	2.3	1.7
Colombia	0.6	0.3 (Q4'23) 0.7 (Q1'24)	1.8	3.0
Peru	-0.6	-0.4 (Q4'23) 1.4 (Q1'24)	1.9	2.0

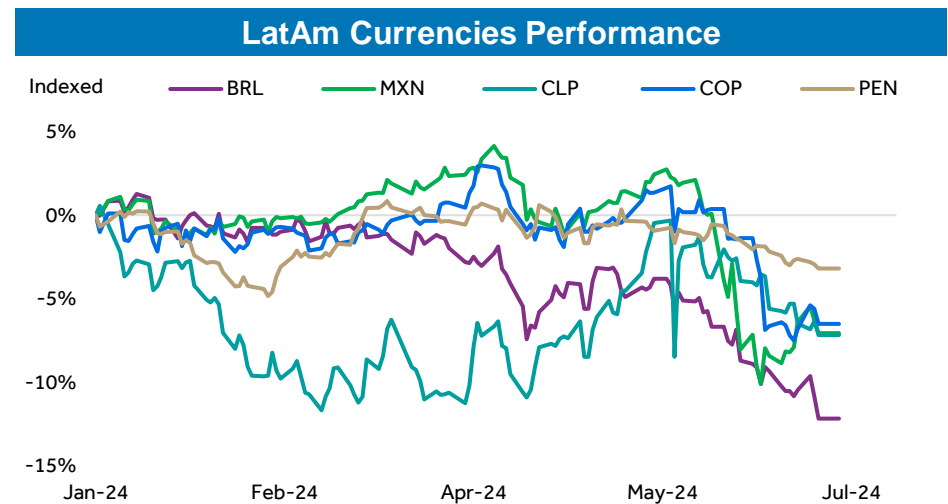
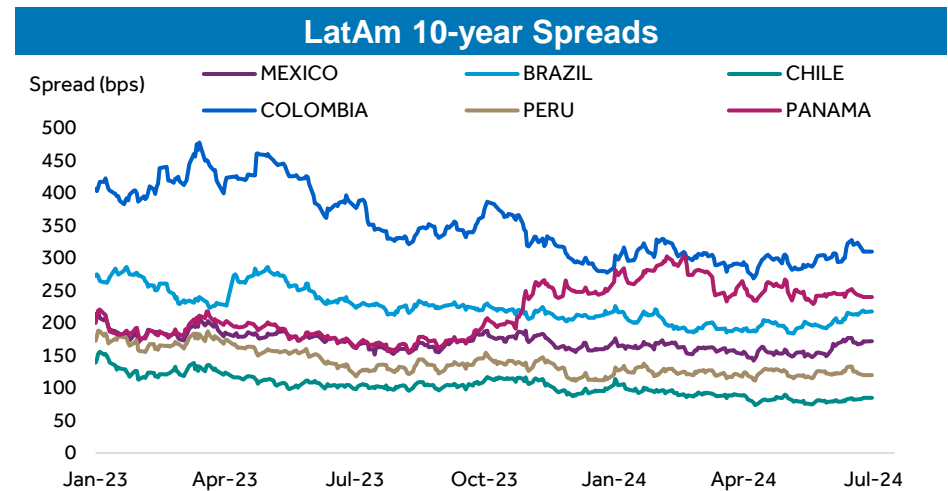
Source: Bloomberg, Barclays, as of July 11, 2024

LatAm Market Reactions

Credit spreads have tightened, and equities have performed well since that start of the year. Shrinking current account deficits and diverging inflation dynamics have made the region less dependent on Fed decisions

Markets Overview						
	Today	01-Jan-24	1Wk Δ	1Mo Δ	YTD Δ	Δ Oct '23
<i>EM and LatAm Credit Indices</i>						
EM USD Aggregate (1)	261bps	296bps	-2bps	-4bps	-36bps	-57bps
EM USD Aggregate IG (2)	107bps	115bps	+1bps	-0bps	-8bps	-18bps
EM USD Aggregate HY (3)	517bps	508bps	-8bps	-12bps	+9bps	-145bps
LatAm USD Aggregate (4)	394bps	428bps	-6bps	-3bps	-34bps	-23bps
<i>LatAm Currencies (vs. USD)</i>						
MXN	17.80	17.01	-2%	-3%	+5%	+1%
BRL	5.45	4.90	-1%	+2%	+11%	+8%
CLP	912	889	-2%	-1%	+3%	+0%
COP	3,976	3,932	-3%	-1%	+1%	-4%
PEN	3.76	3.72	-1%	-0%	+1%	-1%
<i>Reference Rates</i>						
Mexico: Overnight	11.00%	11.25%	0bps	0bps	-25bps	-25bps
Brazil: Selic	10.50%	11.75%	0bps	0bps	-125bps	-225bps
Chile: Monetary Policy	5.75%	8.25%	0bps	-25bps	-250bps	-375bps
Colombia: Repo	11.25%	13.00%	0bps	-50bps	-175bps	-200bps
Peru: Reference	5.75%	6.75%	0bps	0bps	-100bps	-175bps
<i>LatAm Sovereign 10yr Benchmarks</i>						
Mexico (Baa2/BBB/BBB-)	161bps	172bps	-7bps	-10bps	-11bps	-21bps
Brazil (Ba2/BB/BB)	206bps	218bps	-12bps	+1bps	-12bps	-15bps
Chile (A2/A/A-)	79bps	105bps	-3bps	-1bps	-27bps	-30bps
Colombia (Baa2/BB+/BB+)	299bps	286bps	-3bps	-1bps	+13bps	-65bps
Peru (Baa1/BBB-/BBB)	119bps	121bps	-2bps	-6bps	-2bps	-26bps
Panama (Baa3/BBB/BB+)	238bps	263bps	+0bps	-2bps	-26bps	+43bps
<i>LatAm Equities</i>						
MEXBOL	54,411	55,407	+3%	+4%	-2%	+6%
IBOVESPA	128,186	131,226	+2%	+7%	-2%	+11%
IPSA	6,512	6,076	-0%	+0%	+7%	+13%
COLCAP	1,367	1,267	-1%	-1%	+8%	+23%
BVL	1,680	1,467	+1%	+2%	+15%	+31%

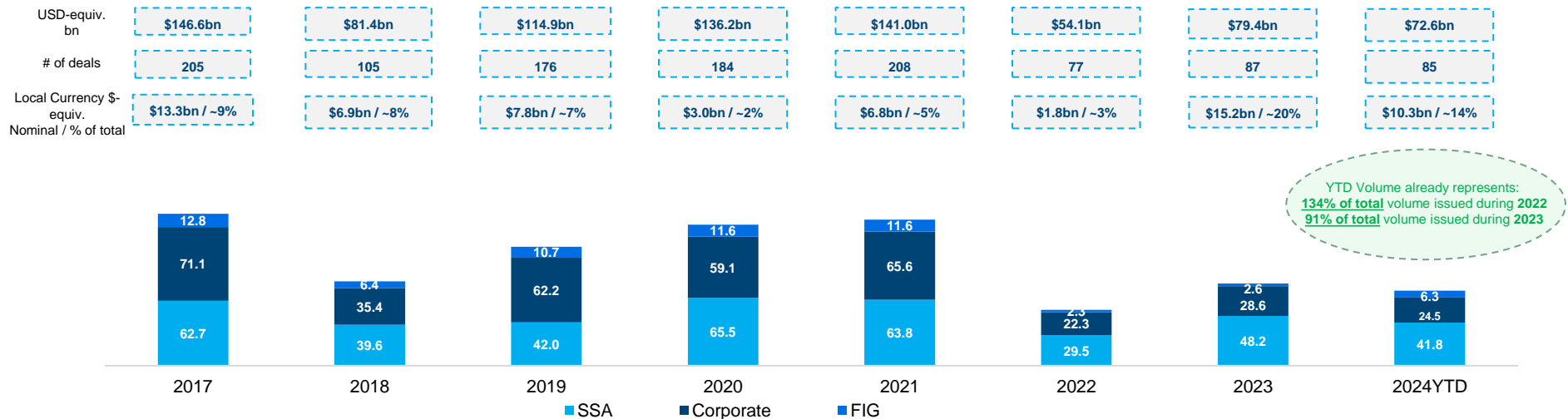
Source: Bloomberg; Bloomberg Barclays Indices; Barclays Research, as of July 11, 2024. (1) Number of credits: 1,999 / Maturity: 10.24yrs. (2) Number of credits: 1,280 / Maturity: 11.00yrs. (3) Number of credits: 719 / Maturity: 8.98yrs. (4) Number of credits: 557 / Maturity: 12.87yrs



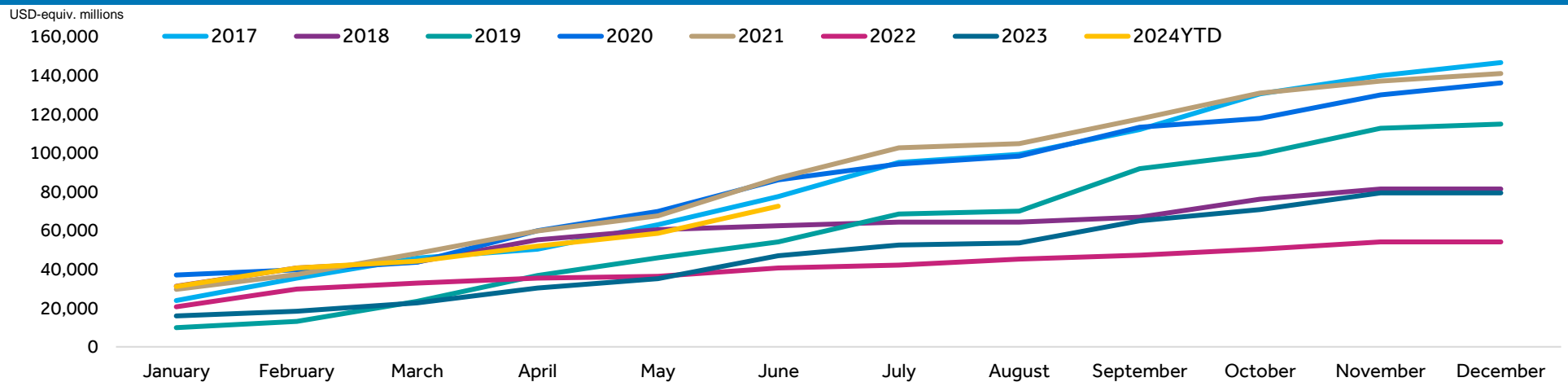
LatAm Primary Market Activity

2024 saw a strong start across LatAm, with credits in the region taking advantage of the positive backdrop and demand dynamics to access the markets, with transactions seeing high orderbook oversubscription and strong tightening from IPTs to final pricing

Historical LatAm International Supply (All Currencies)



Historical Cumulative LatAm Supply (All Currencies)

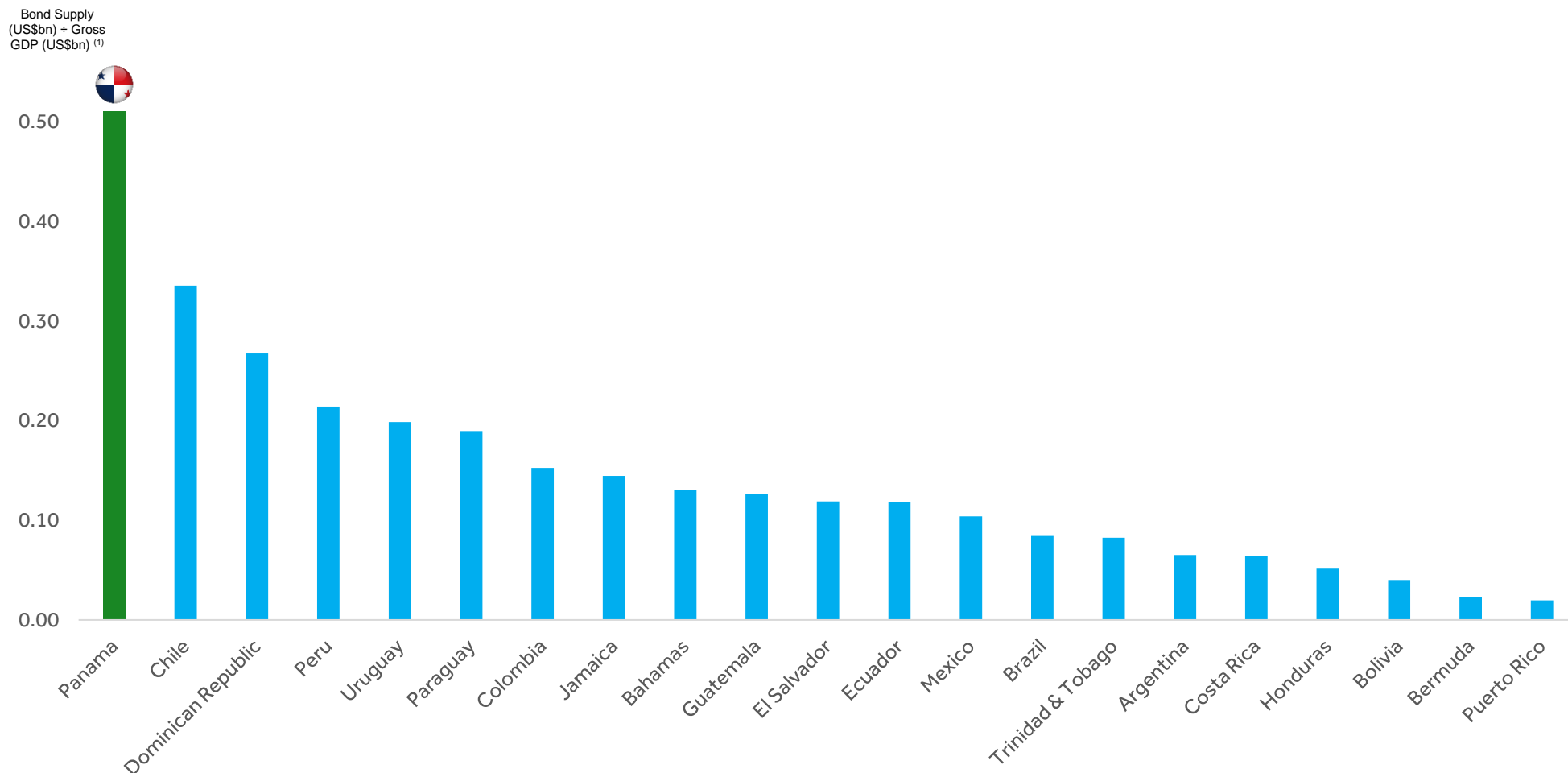


Source: Bloomberg; Bloomberg, Bond Radar, as of July 11, 2024.

Importance of the Financial Markets in Panama:

Panama is the largest LatAm issuer of debt (sovereign, corporate and financial) in the international markets when adjusted for scale

Total Debt Supply (2017-2024YTD) as a Fraction of Gross GDP ⁽¹⁾



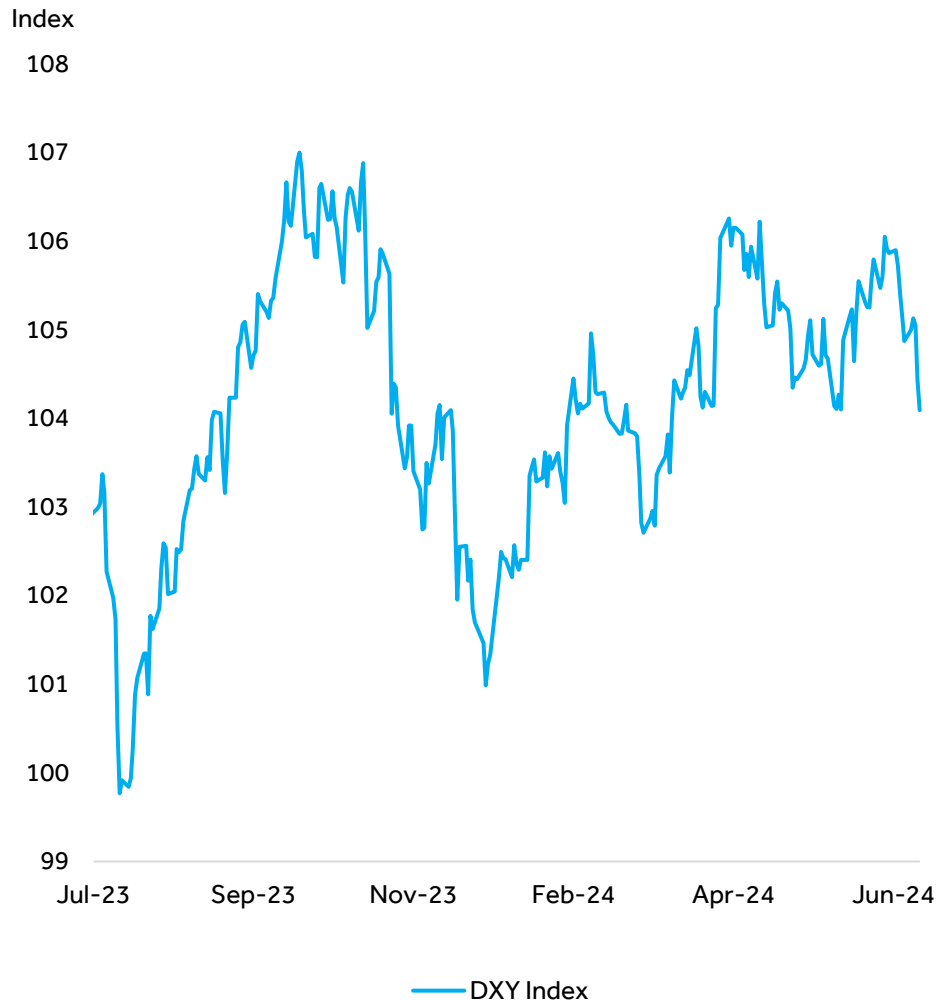
Panama is the largest issuer of debt relative to GDP in the international capital markets out of the entire LatAm region, this highlights the importance, access and role of the financial markets for the Country

Source: Bloomberg; Bond Radar, Barclays Research, IMF, WEF, as of July 13, 2024.

(1) Total international bond supply during the 2017-2024YTD period divided by Gross GDP 2023YE.

Panama Strongly Benefits from a Dollarized Economy

USD vs Global Currencies



Key Highlights

- Panama's unique currency system of dollarization offers several benefits
 - **Stability & Inflation Control:** Dollarization links Panama's economy directly to the robust US dollar, resulting in **low inflation rates and increased investor confidence**
 - **Simplified Trade & Investment:** Panama's use of the US dollar **facilitates trade and investment**, particularly with the United States, one of its largest trading partners
 - The dollarization eliminates the risk of exchange rate fluctuations, making Panama an attractive destination for foreign investors and businesses. This has been instrumental in establishing **Panama as a regional hub for finance and commerce**
 - **Financial System Integration:** The integration of Panama's financial system with the US financial system is seamless due to the use of the US dollar. Panamanian banks and financial institutions can easily conduct transactions with their US counterparts, which enhances the **efficiency of cross-border banking and finance activities**
 - **Lower Transaction Costs:** The absence of currency conversion costs between the US dollar and the Panamanian balboa **reduces transaction costs for businesses and individuals**
 - This is particularly beneficial for businesses engaged in import and export activities as it reduces the overall cost of doing business in Panama
 - **Attracting Foreign Direct Investment:** Panama's stable democratic government, strategic geographical location, and free trade agreements **attract FDI from** around the world

Source: Bloomberg, as of July 12, 2024.

Recent Barclays Research Commentary on Panama

Barclays Latin America Macro Research Coverage Solely for Panama – Latest Views

- Panama has averaged a growth of 4.5% y/y in the past ten years – one of the highest in the region – supported by construction, transportation and services sector. This year is expected to decelerate to 2.2% affected by the suspension of mining activity, but it should rebound to its historical trend in 2025
- The country has complied with their fiscal responsibility law by shrinking its deficit size to 3.0% of GDP in 2023 from 4.0% in 2022 and 6.4% in the aftermath of the pandemic shock in 2021. Hence, public debt has also declined to 56% of GDP from 65% in 2020
- However, amid a deceleration of fiscal revenues and pressing expenditures, the new administration will have the task to reaffirm medium-term fiscal deficit target at 1.5% of GDP and put public debt towards pre-pandemic levels (44% of GDP). President Mulino is aware of this and has mentioned that a fiscal adjustment plan will be announced focusing on austerity while supporting public investment projects
- In Mulino's inaugural speech, he also mentioned two other economic policies to be in focus:
 - Expected reform to provide sustainability to the pension system. Mulino mentioned that "cosmetic" solutions no longer work and will propose a deep reform to not only solve the financing of the defined benefit subsystem, but also improve health services
 - Decision over copper mine 'Minera Panama' suspended last year will respect Court's ruling and voice of the people, while taking into account health and environmental risks. He stated that he will order a strict audit on the site to understand the current situation, and that the plan ahead will be based on the results of rigorous studies
- The materialization of these proposals could provide support to Panama's investment grade status with Baa3 at Moody's and BBB at S&P

NOTE: Barclays Research views are independent and un-influenced by the Investment Banking branch of the Bank.

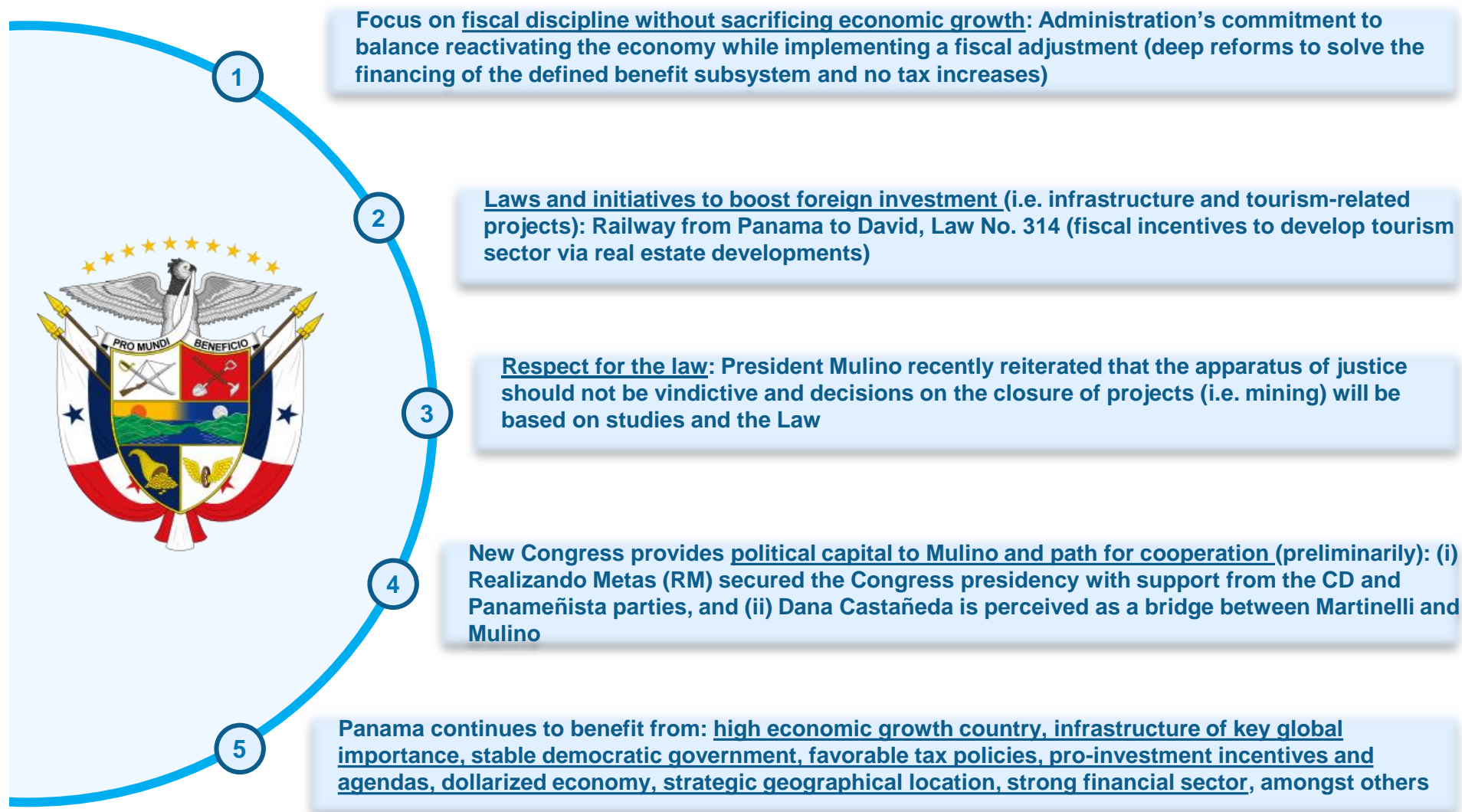
Barclays' Research Forecasts

Barclays Latin America Macro Research Coverage Solely for Panama – Latest Forecasts

	2019	2020	2021	2022	2023E	2024F	2025F
Real GDP, %y/y	3.3	-17.7	15.8	10.8	7.3	2.2	4.5
CPI (% Dec/Dec)	-0.1	-1.6	2.6	2.1	1.9	2.2	2.0
CA (% GDP)	-5.0	0.7	-1.2	-0.7	-4.4	-6.0	-5.0
Gross External Debt (USD bn)	104	112	119	128	133	140	144
NFPS balance (% GDP)	-2.7	-9.7	-6.4	-4.0	-3.0	-4.4	-3.9
Primary balance (% GDP)	-0.9	-7.2	-4.2	-2.3	-0.4	-1.8	-1.2
Gross public debt (% GDP)	44	65	60	58	56	59	60

- **High growth of 4.5% by 2025YE** (in-line with Panama's last 10yr average)
- **Fiscal discipline** (no material increase in gross external debt)
- **Gross public debt as % of GDP at ~60% by 2025YE**, below the average of BBB rated sovereigns globally
- Contained inflation
- Open markets and business-friendly policies **will attract investment** and allow Panama to achieve sustainable growth

Barclays Views Panama as a Country Ripe for Sustainable High Growth



Plataforma Global de Barclays y Compromiso con la Región

Strong, Stable and Leading Universal Bank

Barclays is driven by a common Purpose: working together for a better financial future. To do so, we must be strong as an institution, prepared for the future, and able to navigate different market conditions and evolving trends



We are rooted in the UK economy

- We bank around a quarter of UK corporates¹
- Over 20 million UK retail customers
- One of the largest UK wealth managers
- We process over 40% of the UK's credit and debit card transactions
- Dealogic #1 UK investment banking fees²



We are the leading non-US global investment bank*

- Joint #1 Fixed Income financing³
- Top 3 Fixed Income credit³
- Network across major global financial centres in US, UK, Europe and LatAm



We are growing in the largest global card market

- 9th largest issuer in the US credit card market⁴
- 20 million customers in US
- Partnering with leading US brands

Global Highlights ⁽⁵⁾

92,869

Average Number of Employees Globally

38

Countries with Barclays Presence

£6,557m

Profit Before Tax

£2,505m

Total Taxes Paid by Barclays

* Global Markets and Investment Banking. Global Markets rank based on Barclays' calculations using Peer reported financials. Top 10 Peers includes Barclays and; US Peers: Bank of America, Citi, Goldman Sachs, JP. Morgan, Morgan Stanley. European Peers: BNP Paribas, Credit Suisse, Deutsche Bank, UBS. Investment Banking rank based on Dealogic as at 31 December 2023. (1) Clients defined as any relationship from which we generate >£10,000 income per annum from our existing product set. UK Corporates defined as the stock of companies (group entities considered together) with annual turnover of >£6.5m. Includes clients across UK Corporate and the International Corporate Bank within the Investment Bank. (2) Data from Dealogic, UK Investment Bank revenue by bank, full year 2023. (3) Represents shared rank with another bank whose revenues are within 5% of Barclays. 1H23 Coalition Greenwich Global Competitor Analytics. Based on our share of Top 10 peer banks reported revenues: BoA, BNP, CITI, CS, DB, GS, JPM, MS and UBS. Analysis is based on Barclays' internal revenue numbers and business structure. (4) Ranking based on Q323 End Net Receivables reported by peers. (5) 2023YE Numbers.

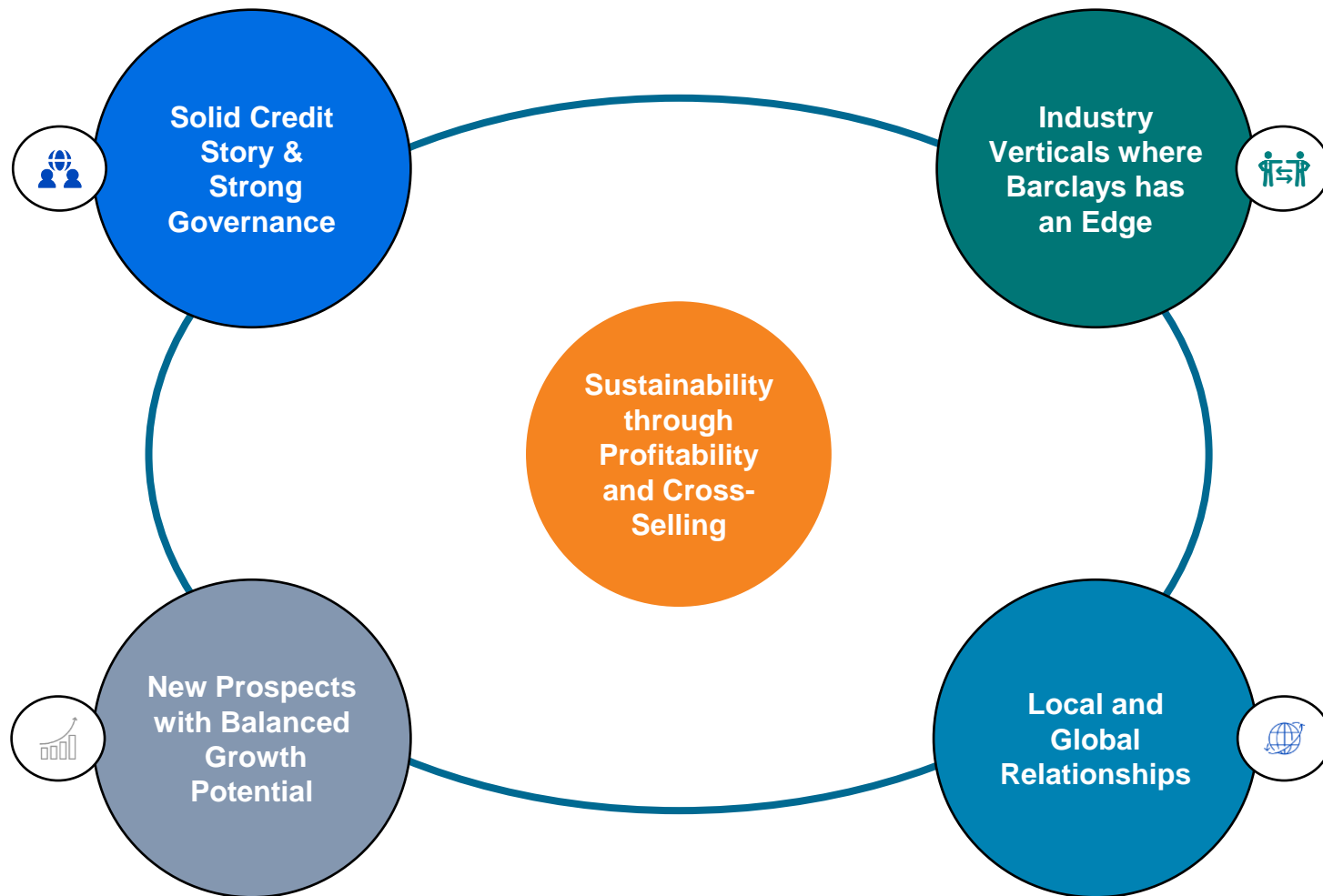
Regional Success Supported by a Global Platform



Note: Headcount Approximate Numbers as of July 2024.










The Relationships We Aim to Build

We look for **non-opportunistic and longstanding partnerships** with our clients. We demonstrate our commitment to local economies by supporting key client names while covering important industry verticals and selecting companies with unique profiles. Once Barclays becomes your partner, it leverages its global platform of services and professionals to add the most value – always



Barclays has a Leading LatAm Trading Platform

Emerging Markets Trading Association Data – Barclays USD Market Share

Country/Type	Market 2022FY	Barclays 2022FY	Market Share 2022FY	Market 2023Q4	Barclays 2023Q4	Market Share 2023Q4	Market 2023FY	Barclays 2023FY	Market Share 2023FY
 PANAMA	23,309	4,821	21%	11,026	2,019	18%	29,432	5,372	18%
Sovereign	21,024	4,055	19%	10,326	1,762	17%	27,274	4,440	16%
Corporate & Financial	2,285	766	34%	699	257	37%	2,159	653	30%
 BRAZIL	91,969	13,747	15%	19,636	5,053	26%	80,159	17,081	21%
Sovereign	45,576	5,946	13%	9,809	1,529	16%	37,672	5,364	14%
Corporate & Financial	38,479	6,808	18%	8,834	3,489	39%	38,904	9,115	23%
Quasi	7,914	993	13%	994	35	3%	3,583	361	10%
 MEXICO	161,224	35,475	22%	27,559	6,529	24%	146,721	33,215	23%
Sovereign	75,262	14,827	20%	13,888	1,802	13%	68,888	10,734	16%
Corporate & Financial	36,215	9,669	27%	6,027	2,485	41%	31,782	9,456	30%
Quasi	49,747	10,979	22%	7,644	2,242	29%	46,050	13,026	23%
 PERU	39,633	6,706	17%	9,495	840	9%	34,030	3,935	12%
Sovereign	32,549	4,628	14%	7,829	472	6%	29,211	2,737	9%
Corporate & Financial	2,180	459	21%	473	66	14%	1,508	220	15%
Quasi	4,904	1,619	33%	1,193	303	25%	3,311	978	30%
 COLOMBIA	59,557	10,512	18%	15,241	2,567	17%	57,841	8,541	15%
Sovereign	48,345	7,963	16%	12,465	1,751	14%	45,583	5,267	12%
Corporate & Financial	11,212	2,549	23%	2,776	816	29%	12,258	2,596	21%
 CHILE	61,391	10,085	16%	10,836	2,097	19%	49,610	9,478	19%
Sovereign	41,983	6,516	16%	5,322	431	8%	31,986	2,981	9%
Corporate & Financial	19,408	3,569	18%	5,514	1,666	30%	17,623	4,859	28%
 ARGENTINA	93,329	12,532	13%	21,651	4,744	22%	84,655	17,422	21%
Sovereign	73,009	11,264	15%	21,020	4,238	20%	73,004	15,303	21%
Corporate & Financial	19,914	882	4%	363	239	66%	10,591	1,131	11%
Quasi	406	385	95%	268	268	100%	1,060	988	93%
 URUGUAY	11,727	1,449	12%	2,957	264	9%	13,314	1,369	10%
Sovereign	11,653	1,449	12%	2,938	250	9%	13,266	1,338	10%
Corporate & Financial	75	0	0%	20	14	72%	48	31	65%
 ECUADOR	17,511	4,736	27%	4,767	1,454	31%	22,389	4,848	22%
Sovereign	17,493	4,736	27%	4,763	1,454	31%	22,378	4,766	21%
Average All									18%
Average Sovereign									14%
Average Corporate & Financial									28%

- Our USD trading platform composed of 6 Senior Traders solely focused on Latin American sovereign, corporate, financial and quasi-sovereign credits, is an **instrumental provider of liquidity in the secondary markets**
- Over the past 5 years, **our trading platform has consistently captured ~1/5 of the entire LatAm secondary market trading volume** (according to the Emerging Markets Trading Association data), this positions Barclays as the **go-to bank for continuous market intelligence, strategic insights during the structuring and execution phases, and secondary market-maker post-issuance**

Barclays is a leader in LatAm Secondary Market-Making, as is demonstrated by its ~18% LatAm Trading Market Share

LatAm Focused Research Coverage

Barclays Latin America Macro Research Team



Gabriel Casillas
Head of LatAm Economics



Alejandro Arreaza
Andeans and CAC



Roberto Secemski
Brazil



Néstor Rodríguez
Mexico and CAC

First-Class Extensive Regional Research Coverage

Formal Coverage

- Macroeconomic models and forecasts (medium-term and high-frequency data)
- Regular publication of analyses of main macro and financial variables, as well as important market and political events
- Section in weekly and quarterly publications
- Newsfeed
- Relevant network of policymakers, businessmen, analysts, local consultants, as well as local and foreign market players
- Regular investor trips

Crucial Coverage

- Macroeconomic models and forecasts (medium-term)
- Publication of important macroeconomic, market, or political events
- Section in quarterly publications
- Newsfeed
- Network of policymakers, analysts, local consultants, and foreign market players
- Investor trips

Essential Coverage

- Major macroeconomic fundamentals and main country issues
- Newsfeed
- In touch with analysts, local consultants, and foreign market players

Runner up

- Newsfeed – Selected issues
- Contact with IMF / IADB mission economists and local consultants
- Potentially moving to Tier-3

Panama-Focused Research Coverage



Special Report



★ 24 min read

EM Economics



Sovereign Credit Strategy



US High Yield Credit

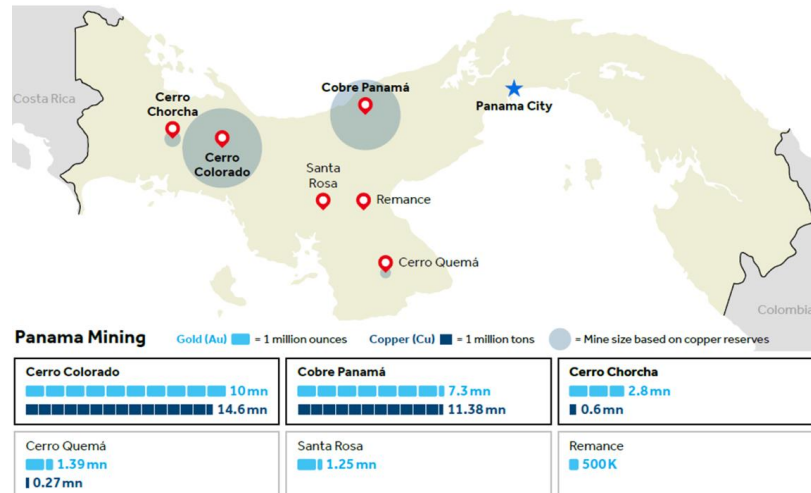


European Metals & Mining



Panama & First Quantum

The future of mining in Panama



Contents

▼ Panama & First Quantum
The future of mining in Panama

Background

International Arbitration

Fiscal and Debt Implications for Panama

Financial Implications for First Quantum

The Path to Reopening the Mine

A Green Transition

Annex: Global Copper Production

Related Research



FICC Research

EM Strategy

2 July 2024



★ 4 min read



Panama

Positive first day

The headlines from Mulino's first day in office are positive, we think. He again mentioned the need for fiscal adjustment and to properly fix the social security system, and there is a clear route for cooperation in Congress. Even so, we still await firm proposals and legislative negotiations will be tested case by case.



Related Research

Panama











Juggling priorities

26 Jun 2024

| CORE

Execution of High-Profile Transactions has Led to Close Partnerships & Unique Understanding of the Region

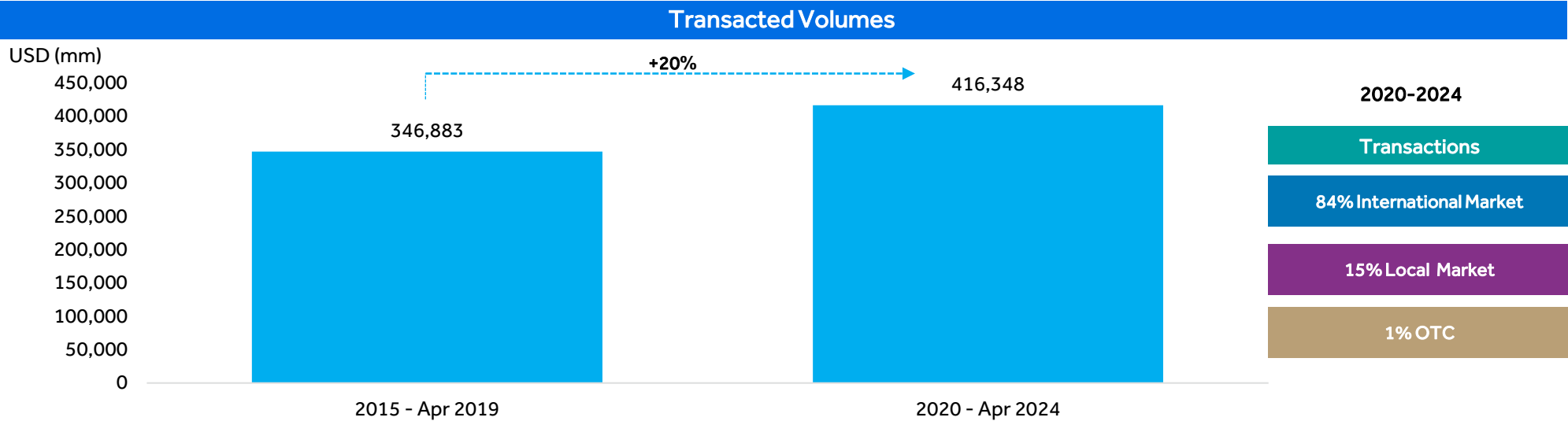
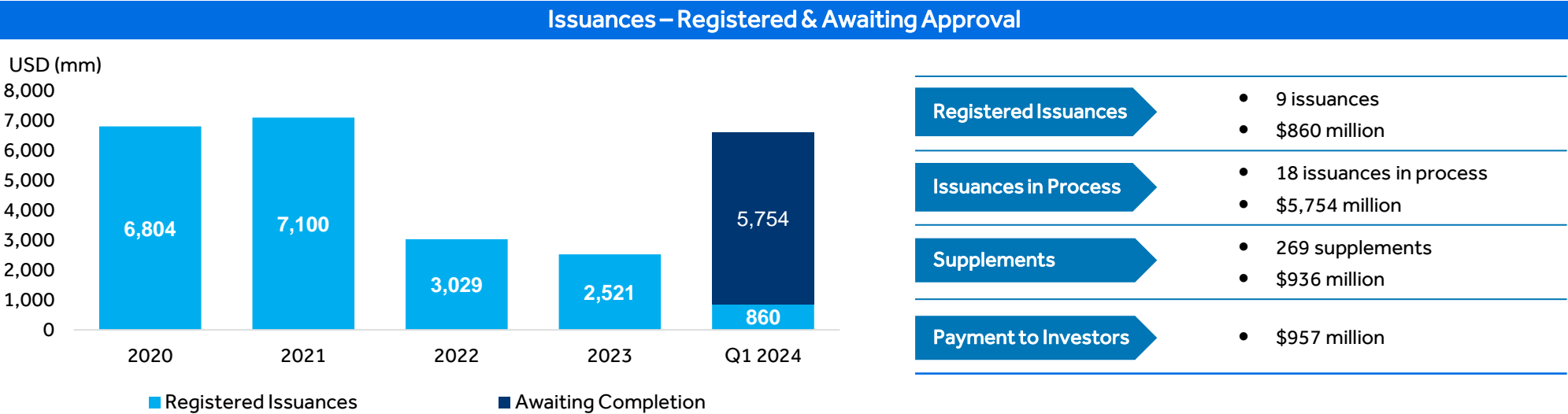
Barclays has executed high-profile strategic transactions in the region, building close ties with the companies and their respective jurisdictions. We have a non-opportunistic approach in the countries in which we operate and strive to build long-standing relationships via value-added solutions & advice

 BANCO DE DESARROLLO DE AMÉRICA LATINA \$1,750 mm 5-year Notes <i>Joint Bookrunner</i> January 2024 €1,000 mm 5-year Notes <i>Joint Bookrunner</i> February 2023 \$800mm 3-year Notes <i>Joint Bookrunner</i> November 2022 	 \$3,000 mm Revolving Credit Facility 5-year <i>Arranger</i> January 2024 \$3,000 mm Revolving Credit Facility 5-year <i>Arranger</i> November 2019 	 €7,400 mm Aggregate Monetization  <i>Sole Financial Adviser</i> 17 February / 31 May 2023 	 GOBIERNO DE MÉXICO Acquired an ~8.5 GW CCGT and renewable generation portfolio from  for \$6,200mm <i>Exclusive Financial Adviser</i> February 2024 
---	---	---	--

SMV como Catalizador del Desarrollo de Mercados

Importance of the Financial Markets in Panama

Deep and developed local markets allow companies to efficiently raise capital and, in turn, boost Panamanian economic growth



Source: Superintendence of the Securities Market of the Republic of Panama.

Key Takeaway Messages

Key Takeaways



Barclays is strongly committed to LatAm and is a firm believer of the resilient **macroeconomic fundamentals and financial prudence** of the countries we are focusing on



We are confident on **the strength of the Panamanian economy** and expect that its growth **will rebound in 2025 to the 4.5% historic levels**



The Government and the main actors in the economy continue to focus on fostering the country's development. For example, the **Panama Canal's construction of a new water reservoir** within six years will help ensure the passage **of 36 ships a day and represents a multimillion-dollar investment**



Furthermore, **the Government of Panama approved a regulatory framework (Law No. 314) to promote foreign investment in the tourism industry,** implementing a fiscal incentive program



The Financial Markets play a role of utmost importance in Panama. **The SMV, acting as the regulating entity** of issuers, securities, investment managers, foreign exchange services, funds, amongst others, **serves as the backbone of the financial industry** and therefore of sustainable growth in the Country



Panama already has a mature and highly sophisticated financial market with continued high growth potential. To put this statement into context, **the SMV oversaw \$416bn of transacted volume during the 2020-2024 period, up 20% from the 4-year period prior.** During the same period, the SMV saw an increment of +72% new issuers registered, up to a total of 280



The SMV serves as a catalyst of growth, particularly to a country which relies on foreign investment and the financial markets. International and local market participants benefit from the Panamanian SMV's high standards for transparency, ethics, corporate governance, efficiency and regulation. **This allows for capital deployment into Panama and drives subsequent growth**

Disclaimer

This document has been prepared by Barclays for information purposes only. This document is confidential and is for the intended recipient and cannot be redistributed, published, reproduced or disclosed, in whole or in part, without the prior written permission from Barclays. Moreover, any information provided herein was not prepared for or intended for use by any individual for personal, family or household purposes. This document is an indicative summary of the terms and conditions of the securities/corporate transaction described herein and may be amended, superseded or replaced by subsequent summaries and is not intended to be used for any personal, family or household purpose. The final terms and conditions and any applicable risk factors of the securities/corporate transaction will be set out in full in the applicable offering document(s) or binding transaction document(s).

This material has not been produced by the Barclays Group's research department and does not constitute investment research or a research recommendation for the purposes of Financial Conduct Authority rules or a research report under US law. The Barclays Group's research analysts and research departments are independent from Barclays' banking business and are subject to certain regulations and internal policies. The Barclays Group's research analysts may hold and make statements or investment recommendations and/or publish research reports with respect to any company referred to herein, the transactions contemplated herein or any person involved therein or related thereto that differ from or are inconsistent with the views or advice communicated by Barclays' banking business.

Prices shown in this document are indicative only and Barclays is not offering to buy or sell, or soliciting offers to buy or sell any financial instrument nor is Barclays providing investment advice relating to such financial instrument or making a recommendation to buy or sell any financial instrument. Unless otherwise specified, the source for all graphs, charts, and other information is Barclays. Barclays' databases are derived from various internal and external sources. Barclays makes no warranty or representation, express or implied, as to the accuracy or completeness of information which is contained in this document and which is stated to have been obtained from or is based upon trade and statistical services or other third party sources. Any data on past performance, modelling, scenario analysis or back-testing contained herein is no indication as to future performance. No representation is made as to the reasonableness of the assumptions made within or the accuracy or completeness of any modelling, scenario analysis or back-testing or any other information contained herein. All levels, prices and spreads are historical and do not represent current market levels, prices or spreads, some or all of which may have changed since the issuance of this document. All opinions and estimates are given as of the date hereof and are subject to change, and Barclays assumes no obligation to update this document to reflect any such changes. The value of any investment may also fluctuate as a result of market changes. The information herein is not intended to predict actual results and no assurances are given with respect thereto.

The recipient is responsible for making its own independent investigation and appraisal of the risks, benefits, appropriateness and suitability of any corporate transaction or commercial or business matter contemplated by this document. Barclays is not making any recommendation (personal, family, household or otherwise) or giving any investment advice. The decision to proceed with any corporate transaction or commercial or business action contemplated by this document must be made by the recipient in light of its own commercial assessments, and Barclays will not be responsible for such assessments. Barclays is not responsible for providing or arranging for the provision of any general financial, strategic or specialist advice, including legal, regulatory, accounting, model auditing or taxation advice or services or any other services in relation to the corporate transaction and/or any related securities described herein.

Neither Barclays nor any of its subsidiaries or affiliates, nor any of their respective officers, directors, employees, agents, advisors or other representatives (Barclays together with such persons being the "Barclays Group") accepts any liability whatsoever for any direct, indirect or consequential losses (in contract, tort or otherwise) arising from the use of this document or its contents or any reliance on the information contained herein. Barclays Group is not responsible for any specialist advice, including legal, regulatory, accounting, model accounting, tax, actuarial or other advice.

This document does not constitute nor does it form part of an offer to sell or purchase, or the solicitation of an offer to sell or purchase, any securities or any of the businesses or assets described herein or an offer or recommendation to enter into any business or commercial transaction described herein nor does this document constitute an offer or commitment to provide, arrange or underwrite any financing.

Members of Barclays Group are involved in a wide range of commercial banking, investment banking and other activities out of which conflicting interests or duties may arise. Barclays Group may make a market or deal as principal in the securities mentioned in this document or in options or other derivatives based thereon. Barclays Group may be on the opposite side of any orders executed for securities or financial instruments that are related to or the subject of this document. In addition, Barclays Group may also, from time to time, effect transactions for its own account or the account of its clients and hold long or short positions in debt, equity or other securities of the companies referred to herein or in other financial products and instruments. Unless otherwise expressly agreed or provided for in other applicable Barclays disclosures governing such transactions or required by law or regulation, Barclays conducts these activities as principal and executes its principal transactions as an arm's length counterparty. Barclays does not act as a fiduciary in relation to these transactions. Barclays Group operates in accordance with a conflicts of interest policy that identifies conflicts of interest Barclays Group faces in the ordinary course of its business, and establishes organizational and procedural measures to manage those conflicts where it is reasonably able to do so. Neither Barclays nor any other part of Barclays Group shall have any duty to disclose or utilize for the recipient's benefit any non-public information acquired in the course of providing services to any other person, engaging in any transaction (on its own account or otherwise) or otherwise carrying on its business. Members of Barclays Group, may from time to time act as manager, co-manager, arranger or underwriter of an offering or otherwise, in the capacity of principal or agent, transact in, hold or act as market-maker or advisor, broker or commercial and/or investment banker in relation to the securities, instruments or related derivatives which are the subject of this document.

NO ACTION HAS BEEN MADE OR WILL BE TAKEN THAT WOULD PERMIT A PUBLIC OFFERING OF THE SECURITIES DESCRIBED HEREIN IN ANY JURISDICTION IN WHICH ACTION FOR THAT PURPOSE IS REQUIRED. NO OFFERS, SALES, REALES OR DELIVERY OF THE SECURITIES DESCRIBED HEREIN OR DISTRIBUTION OF ANY OFFERING MATERIAL RELATING TO SUCH SECURITIES MAY BE MADE IN OR FROM ANY JURISDICTION EXCEPT IN CIRCUMSTANCES WHICH WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS AND WHICH WILL NOT IMPOSE ANY OBLIGATION ON BARCLAYS OR ANY OF ITS AFFILIATES.

THIS DOCUMENT DOES NOT DISCLOSE ALL THE RISKS AND OTHER SIGNIFICANT ISSUES RELATED TO AN INVESTMENT IN THE SECURITIES DESCRIBED HEREIN. PRIOR TO TRANSACTING, POTENTIAL INVESTORS SHOULD ENSURE THAT THEY FULLY UNDERSTAND THE TERMS OF THE RELEVANT SECURITIES AND ANY APPLICABLE RISKS.

THE INFORMATION CONTAINED HEREIN IS NOT INTENDED TO BE DISTRIBUTED TO ANY PROSPECTIVE OR ACTUAL INVESTORS AND, ACCORDINGLY, MAY NOT BE SHOWN OR GIVEN TO ANY PERSON OTHER THAN THE RECIPIENT, AND IS NOT TO BE FORWARDED TO ANY OTHER PERSON (INCLUDING ANY RETAIL INVESTOR OR CUSTOMER), COPIED OR OTHERWISE REPRODUCED OR DISTRIBUTED TO ANY SUCH PERSON IN ANY MANNER WHATSOEVER. FAILURE TO COMPLY WITH THIS DIRECTIVE CAN RESULT IN A VIOLATION OF THE SECURITIES ACT OF 1933, AS AMENDED.

Colombia: The distribution of this document may be restricted in certain jurisdictions. The information contained in this document is for general guidance only, and it is the responsibility of any person or persons in possession of this document to observe, all applicable laws and regulations of any relevant jurisdiction.

Barclays Capital Inc. is the United States investment bank of Barclays Bank PLC. Barclays Bank PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register No. 122702). Registered in England. Registered No. 1026167. Registered office: 1 Churchill Place, London E14 5HP. Copyright Barclays Bank PLC, 2023 (all rights reserved).