

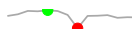















# Trade and Competitiveness Monitoring Note



## Honduras

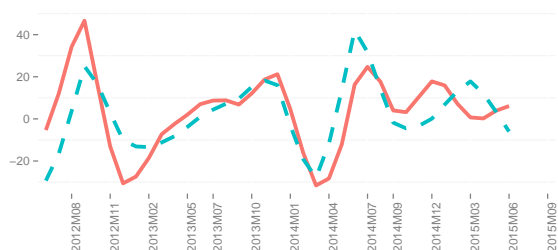
GDP (US\$ billions) (2015)	Population (millions) (2015)	Income per capita (current US\$) (2015)	Poverty rate (2013)	Unemployment rate (2015)	Ease of Doing Business Rank (2015)
20.1	8.1	2,483.4	18.9	4.5	115.0

### Macro Indicators

	Avg 2002-2011	2012	2013	2014	2015	2016	
GDP growth (annual %)	4.1	4.1	2.8	3.1	3.0	3.3	
Current account balance	-6.7	-8.5	-9.5	-7.7	-7.0	-6.3	
Cash surplus/deficit (% of GDP)	-3.2	-4.2	-7.7	-4.5	-3.0	-2.4	
Gross Fixed Investment (% GDP)	24.2	22.0	21.0	20.0	19.5	19.1	
Gross capital formation (% of GDP) [1]	27.3	24.6	21.8	22.1	—	—	
Foreign direct investment, net inflows (% of GDP) [2]	5.7	5.7	5.7	5.8	—	—	
Private capital flows, total (% of GDP) [2]	22.0	23.5	—	—	—	—	
Total Trade in Goods and Services (% of GDP, real terms)	127.6	130.3	123.2	121.3	120.8	120.2	
Trade balance (% of GDP, real terms)	-12.4	-10.2	-7.8	-7.6	-8.7	-9.5	
Exports, Goods and Services, annual percent change (real terms)	4.9	9.8	-1.3	1.6	1.6	2.0	
Imports, Goods and Services, annual percent change (real terms)	5.1	6.3	-4.1	1.5	3.4	3.5	
Personal remittances, received (% of GDP) [1]	16.6	15.8	16.8	17.4	—	—	
General government gross debt [3]	43.4	34.7	45.3	45.7	48.4	50.1	
Total reserves in months of imports [1]	3.7	2.6	3.2	—	—	—	
Real Effective Exchange Rate (2010=100)	89.4	103.6	102.6	103.6	104.9	103.5	
Consumer Price Index, annual percent change	7.5	5.2	5.2	6.1	2.2	2.2	

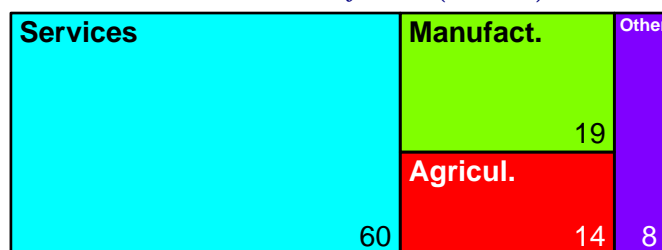
Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

### Goods Export and Import volume growth, 2012-2015



Source: Development Prospects Group (DECPG)

### Gross Value Added by Economic Activity 2013 (% GDP)



Source: World Development Indicators (WDI)

### Top 5 Exports by % of Total Value, 2014

Coffee, not roasted, whether or not	17	Insulated (including enamelled or a	13	Crustaceans, frozen	8	Palm oil and its fractions	5
		Bananas (including plantains), fres	5				

### Imports Categories by % of Total Value, 2014

Consumer goods	57	Intermediate goods	19	Capital goods	18	6
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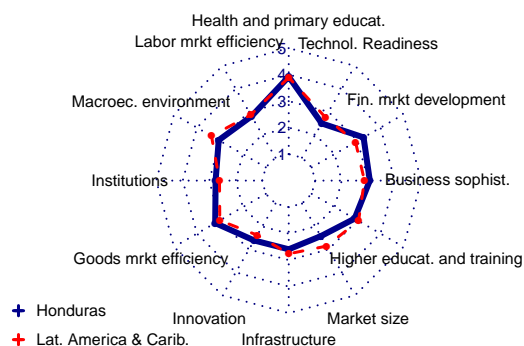
Source: World Integrated Trade Solution (WITS)

### Doing Business 2015 Ranks (among all countries)

	DB 2015 Rank	DB 2016 Rank	Change in Rank
Dealing with Construction Permits	87	87	0
Ease of Doing Business Rank	115	110	5
Enforcing Contracts	150	150	0
Getting Credit	6	7	-1
Getting Electricity	143	143	0
Paying Taxes	149	155	-6
Protecting Minority Investors	177	134	43
Registering Property	85	88	-3
Resolving Insolvency	139	139	0
Starting a Business	139	150	-11
Trading Across Borders	135	136	-1

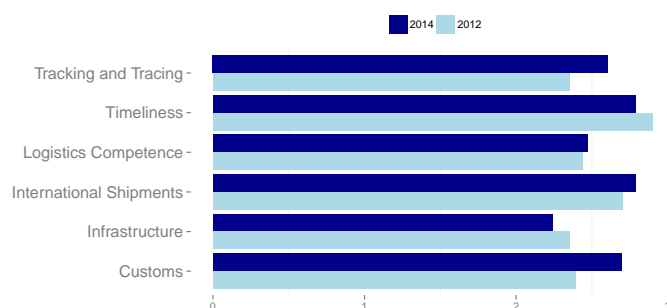
Source: Doing Business Report 2015

## WEF Competitiveness Indicators (Scale 1-5, 5=best)



Source: WEF Global Competitiveness Report 2015

## Logistics Performance Index (Scale 1-5, 5=best)



Source: Logistics Performance Index (World Bank)

## World Governance indicators (Std. score, High=best)



Source: Worldwide Governance Indicators

## Trade Policy

	2010	2014
Applied Tariff (Incl. Prefers. and Trade-Weighted)	6.5	—
Binding (%)	100	—
Dispersion (Standard Deviation)	7.9	—
Import duties collected (%; 2010-2012) [1]	—	1.5
MFN Tariff (Agricul.)	10.5	—
MFN Tariff (Non-Agricul.)	4.7	—
MFN Tariff (Simple Average)	5.6	—
Services sectors with GATS commitments [1]	—	25

Sources: WITS, [1] WTO Trade Profiles

## Private Sector's Views

### Enterprise Survey 2013

	Latin America and Caribbean	Honduras	All Countries
Number of electrical outages in a typical month	2.80	2.30	6.30
Percent of firms with a bank loan/line of credit	45.80	31.20	34.30
Proportion of investment financed by banks (%)	19.90	12.60	14.30
Proportion of investment financed internally (%)	62.90	63.00	71.80
Senior management time spent dealing with the requirements of government regulation (%)	14.00	17.00	9.90

Source: Enterprise Survey 2013

### Top 5 constraints according to ES 2013 (% respondents)



Source: Enterprise Survey 2013

### Top 5 constraints according to WEF 2015 survey (% respondents among 88 executives)



Source: WEF Global Competitiveness Report 2015