LATAM Market Update

- **Peru: Government's plan to be announced today**

Today, Wednesday, the head of the government cabinet, Vicente Zeballos, will announce the details of the cabinet's government plan. The announcement will give us a better picture of the government's intentions in the year and a half left for the current administration. President Vizcarra recently stated that the Plan would focus on anticorruption, institutional strengthening, economic growth, social development, and de-centralization. We're particularly eager to hear what the Plan contains in terms of policies to stimulate growth, how it plans to strengthen institutions. It will also be interesting to see if the Plan is organized around a proper and unique vision for the next 20 months, or if it will simply collect the individual strategies and policies of the different cabinet members.

The Constitutional Court accepted yesterday to review a demand submitted to it by opposition political parties questioning the constitutionality of President Vizcarra's decision to close Congress. There was an outside chance that the Court would not accept reviewing the demand, which would have closed the chapter on the legality of Vizcarra's decision. As it is, it will still take perhaps two months or more for the Court to issue a decision on the demand and it's hard to envision a decision which would abort the new January 26th Congressional elections, the organization of which is already progressing. It is even harder to envision a reinstatement of the closed Congress, which would be so unpopular as to be almost unfeasible. Most political analysts seem to expect that, although the Court may or may not consider Vizcarra's decision as unconstitutional, it will validate the existing status quo nonetheless, under the argument that to not do so would be negative for society as a whole.

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