



Consultoría en Riesgos Geopolíticos

Información relevante para anticipar eventos futuros

September 2023

UpSideRisks

Confidential

UpSide Risk es líder en el asesoramiento en gestión de riesgos. Su propósito es ayudar a sus clientes a navegar y administrar los riesgos **geopolíticos globales** y sus **oportunidades**

Nuestros productos



Reporte de Riesgos Regionales y locales

Reportes periódicos de riesgos macroeconómicos, políticos y sociales de países emergentes y desarrollados.

Rating de riesgos de los países de cada región y análisis de su evolución.



Research y Asesoramiento

Análisis específicos (Deep Dive) sobre los riesgos y oportunidades a nivel país, región o industria.

Generación de **notas técnicas sobre amenazas y eventos relevantes** con potencial impacto en las organizaciones



Consultoría Estratégica

Consultoría estratégica y asesoría integral en el desarrollo de **modelos operativos de gestión de riesgos**.

Identificación, cuantificación y reporting de los principales riesgos de cada cliente.



Nuestro reporte mensual de riesgos identifica los principales eventos geopolíticos con potencial impacto en las empresas sugiriendo estrategias de respuestas frente a los mismos

Reporte Mensual de Riesgos

Alertas

Los informes mensuales brindan información relevante sobre los acontecimientos económicos, políticos y sociales claves para cada cliente

Contamos con un sistemas de alertas continua que nos permite informar al cliente los eventos significativos de manera continúa durante todo el año

Eventos sociales y políticos

Perú sigue enfrentando las consecuencias de la destitución de Castillo, ahora con un presidente que presenta una gran debilidad política



El presidente AMLO retendrá una significativa en el gobierno más de su mandato legal en 2024.

La coalición gobernante mar mayoría absoluta en el Congreso elecciones generales de 2024.

La política del gobierno estará ca influenciada por consideraciones en preparación para las generales de 2024.

Inflación en America Latina

A pesar del nuevo aumento en los precios de los combustibles, la región muestra una disminución de la inflación

País	Octubre	Noviembre	Diciembre	Enero	Febrero	Marzo	Abril
Argentina	88,0	92,4	94,8	98,8	102,5	104,3	108,8
Colombia	12,2	12,5	13,1	13,3	13,3	13,8	12,8
Chile	12,8	13,3	12,8	12,3	11,9	11,1	9,9
Peru	8,3	8,5	8,5	8,7	8,7	8,0	7,9
Mexico	8,4	7,8	7,8	7,9	7,6	6,9	6,3
Paraguay	8,1	8,3	8,1	7,8	6,9	6,4	5,3
Brazil	6,5	5,9	5,8	5,8	5,6	4,7	4,2
Bolivia	2,9	3,2	3,1	3,1	2,6	2,5	2,9
Ecuador	4,0	3,6	3,7	3,1	2,9	2,9	2,4

Región: Con excepción de Argentina y Bolivia, todos los países observaron inflación decreciente en abril. La mayoría de ellos con valores de un dígito.

Brasil: la inflación se está desacelerando, en los últimos 12 meses fue de 4.65%, en comparación con el 5.6% en los 12 meses anteriores. Es el menor registro desde enero de 2021.

Argentina: los precios aumentaron un 8.4% entre marzo y abril, los peores datos intermensuales desde la crisis del corralito de 2001-2002.

Global Securities Alerts

Risk Note

June 27th, 2023

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Supply Chain Risks

What is the importance of the global supply chain?

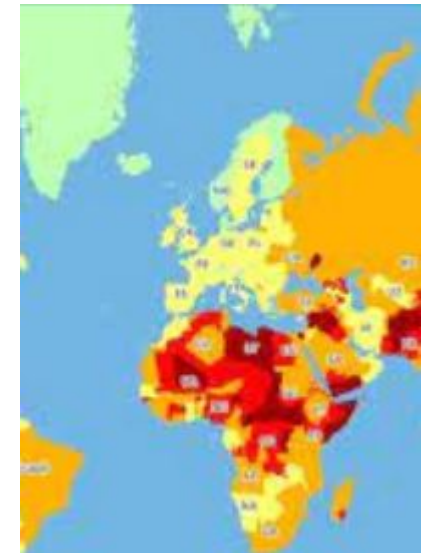
The debt ceiling is a legal limit on the amount of money that the US government can borrow to fund its operations. If the debt ceiling is not raised or suspended by June 1st, 2023, the government may not be able to pay its bills on time, which could lead to a default on its debt obligations. Debt limits are currently set at \$31.4trn.

This situation is not new; in 2011 the US government came close to defaulting on its debt for the first time in history. The longest shutdown lasted 35 days from December 21, 2018, through January 25, 2019. A 35-day shutdown began on October 1, 2013. Two brief shutdowns occurred in January and February 2018.

What are the risks?

- The US government may be forced to delay or reduce payments to its creditors, such as bondholders, Social Security recipients, and military personnel.
- US credit ratings could be damaged and make it more expensive for the government to borrow money in the future, leading to higher interest rates and slower economic growth or recession. Reaching an agreement before June 1 would likely limit the economic damage, but the risk of a credit downgrade persists, like in 2011.
- Financial volatility would increase and likely cause a negative impact on the stock, bond and credit markets. Consumer confidence could be impacted and recession possibilities may increase. Back in 2011, a similar standoff triggered an unprecedented credit downgrade of the US government and a 16% drop in the S&P 500 over the span of 10 days.

How could we respond?





En UpSide Risk brindamos un servicio **centrado en el cliente**. Tanto los *Deep Dives* como las Notas Técnicas están diseñadas en función de la **exposición de cada cliente particular**

Country Deep Dives

Los Deep Dives tienen por objetivo conocer los riesgos y oportunidades que presenta un país en particular para sugerir estrategias de mitigación.




Notas Técnicas de Riesgos

Las notas técnicas brindan información relevante sobre desarrollos actuales que potencialmente será eventos futuros

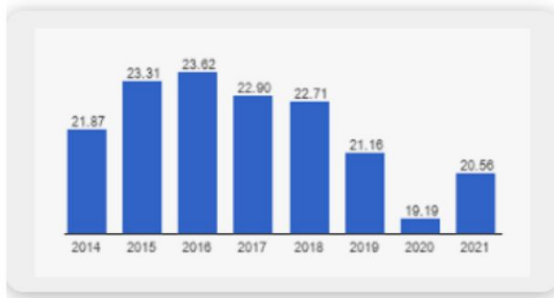
Mexico Deep Dive

Un crecimiento mayor al anticipado en el primer trimestre de 2023 nos ha llevado a revisar al alza el crecimiento del PIB real de todo el año

Inflation remains a major challenge for private consumption.

-  Los riesgos operativos y de seguridad limitan las perspectivas de crecimiento.
-  El banco central aumentó la tasa de política al 11,25 % para combatir la inflación elevada, y se avecinan más ajustes.
-  Hay una creciente preocupación por el aumento de la deuda pública y la amenaza de una rebaja de la calificación soberana.

Country Profile - Mexico



Risk Note

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Supply Chain Risks

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This situation is not new; in 2011 the US government came close to defaulting on its debt for the first time in history. The longest shutdown lasted 35 days from December 21, 2018, through January 25, 2019. A 16-day shutdown began on October 1, 2013. Two brief shutdowns occurred in January and February 2018.

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Running scenario analysis

Different scenarios can be defined: a Default, a Short Default or a Protracted Default. Even a short debt limit breach could lead to a decline in real US GDP. A protracted default would likely lead to severe damage to the US economy, with job growth swinging from its current pace of robust gains to losses numbering in the millions.

Identify vulnerabilities and responses

Our business and markets may be exposed to a different degree of vulnerability to macroeconomic and financial conditions. It is important to answer questions like: how will a recession impact the level of subscribers? How much will advertising sales revenue be affected? Analyzing the impact of the economic slowdown started in 2022 can provide some answers.

Analyzing risk interconnectivity

Risks do not manifest themselves in isolation. They are interconnected. For example, the fear that the US government may abruptly suspend spending causes general uncertainty, an increase in interest rates and, consequently, greater credit risk and a lower propensity to consume and invest.

Next Steps

An agreement in Congress between Republicans and Democrats is needed to modify or suspend the debt ceiling. Democrats are calling for a "clean" measure to raise the debt limit - that is, one that is not tied to any other legislative measures. Republicans want to roll back the expansion of federal programmes. They want to limit federal spending - or, at least, spending on Democratic priorities. Intense negotiations are expected in the next few weeks.



En UpSide Risk contamos con un staff de expertos capaces de brindar **consultoría estratégica** en gestión de riesgos que permita **anticipar escenarios futuros**

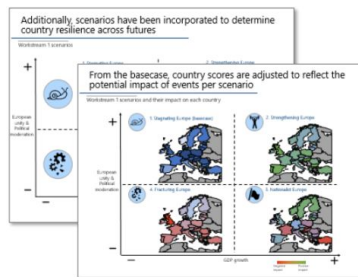
Consultoría Estratégica

UpSide Risks ofrece consultoría estratégica local o regional para ayudar a los clientes a abordar los desafíos comerciales de una manera más segura

Identificación y Cuantificación de Riesgos

En UpSide Risks sabemos de la importancia de determinar el perfil de riesgos de cada cliente para priorizar y anticipar los eventos futuros

Diseños de escenarios futuros



Implementación de modelos operativos de riesgos



Estrategias de mitigación y respuesta



- **Identificación de riesgos:**
Workshops o sesiones de identificación de los riesgos de cada cliente estableciendo sus determinantes e indicadores.
- **Priorización de amenazas:**
Definición de medidas cuantitativas y cualitativas para establecer scores de severidad para los distintos riesgos.
- **Monitoreo externo:**
Seguimiento de noticias y eventos con potencial impacto en la exposición de cada cliente. .

¿Por qué elegir UpSide Risks?

- Nos enfocamos en las **necesidades del cliente** y creamos informes en base a sus necesidades
- **Vamos más allá de la información** y nos enfocamos en brindar **soluciones y recomendaciones**
- Contamos con una **exitosa trayectoria** asesorando a firmas internacionales
- Los **socios están involucrados** en las actividades del día a día hasta que se completa el trabajo.
- Tenemos una gran **flexibilidad para atender las necesidades del cliente**
- Combinamos una sólida **formación académica y profesional**



Contactos

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Fin de la Presentación



Our Team

Damián Falcone

Managing Partner

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Languages

- English
- Spanish

Education

- Master in International Studies
- Degree in Economics

Background

Damián holds a Master in International Studies from Torcuato Di Tella University with specialization in: International Economics and Politics (2004-2007). He also completed a Postgraduate studies on “International Financial Crisis, From Argentina to Greece”. Pontífica Universidad Católica Argentina. December 2010. Degree in Economics. University of Buenos Aires. (1996-2002)

He teaches risk management in IAE Business School and Torcuato Di Tella University. Visiting Professor at universities and business schools in several countries in the region.

Professional and industry Experience

Damian has worked for more than twenty years in banking firms as Citi and JPMorgan covering several risk management functions. He was regional Financial Risk Manager Vice President for south cone. He also was Senior Risk Manager in Mercado Libre, a leader e-commerce a fintech firm in Latin America. Damián joint UpSide Risks in 2021 as Managing Partner.

- Geopolitical Risk Reporting
- Performed Enterprise Risk Management (ERM) maturity assessments
- Advisory on economic and political risks
- Defined and implemented Risk Committees
- Performed Metricstream GRC system implementation
- Defined Crisis Risk Management programs
- Developed Enterprise Risk Management (ERM) programs ensuring the correct implementation
- Drafted ERM Policy and Standards, Issues Management Policy and Standards



Our Team

Lorenzo Preve

Managing Partner

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Languages

- English
- Spanish
- Italian

Education

- PhD in Finance
- MBA
- Degree in Business Administration

Background

Lorenzo holds a PhD in Finance from the University of Texas at Austin (May 2004), an Executive MBA at IAE Business School, Universidad Austral, and a BA from the Universidad Católica Argentina. He teaches at IAE Business School and has been a Visiting Professor at Universities and Business Schools, and conference speaker in the USA, Portugal, Spain, Greece, Colombia, Ecuador, Perú, Chile, Paraguay, Bolivia, and Uruguay.

He has published several academic papers in peer reviewed journals, articles and case studies. Is the author or co-author of three books Gestión de Riesgo: Un Enfoque Estratégico, TEMAS Editores; Working Capital Management, (Joint with V. Sarria-Allende); Oxford University Press; and Las Finanzas en la Empresa (Joint with V. Sarria-Allende and G. Fraile); TEMAS Editores. Lorenzo has a web page with most of his work, at www.lorenzopreve.com and a YouTube Channel at www.youtube.com/c/lorenzopreve

Professional and industry Experience

Lorenzo has been working as a consultant since 1990 (with a short interruption to join the Capital Markets Team at the Buenos Aires Branch at Chemical Bank). In 2015, he co-founded Upside Risks. Additionally, he serves as a member of the board in several firms.

- Lead enterprise risk efforts, created enterprise risk matrix, and developed risk management monitoring activities.
- Advisory on Geopolitical risks
- Defined severity and likelihood assessments in several industries
- Developed Enterprise Risk Management (ERM) programs ensuring the correct implementation.
- Performed ERM Maturity Assessments
- Drafted ERM Policy and Standards, Issues Management Policy and Standards.
- Designed and implemented BCPs
- Coordinated hedging strategies using derivatives



Our Team

Ezequiel Emanuele

Associate Analyst

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Languages

- English
- Spanish

Education

- Degree in International Relations (in progress)
- Diploma in Migrants and Refugee Protection
- Diploma in Risk Management and Climate Change

Background

Ezequiel is currently completing his degree in International Relations in Comillas University .

Professional and industry Experience

Ezequiel has joint UpSide Risk in November 2022 as Associate Analyst.

- Performed research on social and political risk topics and risk analysis
- Created risk management reports to promote a risk awareness culture
- Processed risk assessment information to create risk matrix
- Evaluated likelihood and severity of companies risks
- Performed key risk indicators analysis
- Performed economic and political research to distribute with clients
- Implemented analytics tools



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