

Uruguay may provide shelter from the economic storm

Uruguay is getting increased attention from investors for its positive economic growth and stability in the face of the global financial crisis.



In 2008 Uruguay's Gross Domestic Product grew by an estimated 11.2%, which was the highest rate of economic growth in Latin America. The growth was fueled by an increase in the value of agricultural goods, expanded trade, and foreign investment.

Last month (February 2009) JP Morgan reported that Latin America had entered the global recession, with the exception of Uruguay, which is still experiencing positive economic growth. While decreased world trade is having an impact on Uruguay's economy, the JP Morgan report states that Uruguay's fiscal discipline and adaptability of policies is likely to minimize the negative impacts of the global economic crisis.

Uruguay's economy is expected to grow at a rate of 2 to 3% in 2009.

Two areas of interest for the individual investor are Uruguayan debt bonds and select Uruguayan real estate markets.

This month (March 2009) JP Morgan is recommending Uruguayan debt bonds as a safe harbor in a stormy world economy. JP Morgan's "Outlook and Strategy for Emerging Markets" rated Uruguay's debt bonds as "Superior" for the fourth month in a row.

Real estate prices in Uruguay are holding steady, although the number of reported sales is down from last year. Besides an overall healthy economy, a contributing factor to Uruguay's strong real estate market is the fact that the vast

majority of residential properties are owned free-and-clear, so that very few homeowners ever need to sell due to mortgage pressures.

Apartments and single family homes in Punta del Este (which is South America's premiere beach resort) produce impressive summer rental returns. The concept of short-term furnished rentals is also becoming increasingly popular in select communities of Montevideo, Uruguay's capital city.

At this time (March 2009) investors seeking value increases more than cash flow are paying special attention to the Punta suburb of Montoya, the rustic beach community of Punta del Diablo, and developing areas near the town of Minas.

By David Hammond - author of [Buying Real Estate in Uruguay](#) - an ebook available to download now

For more information on [Real Estate in Uruguay](#)

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Outlook for property in New Zealand



Anyone looking to emigrate to New Zealand may find the state of the New Zealand housing market very advantageous at the moment. The price of property in New Zealand dropped around 6.1% during the year to October 2008 according to the Real Estate Institute of New Zealand.

When adjusted for inflation this equates to house prices falling 10.6% bringing the price of the average house in New Zealand down to £134,000.

Following rises of 94% between 2001 to 2007 New Zealand property prices