Background note

Capital Market Trends in Latin America

2025 OECD-Latin America Roundtable
on Corporate Governance

This background note served as one of the references to session 6 of the 2025 meeting of the OECD Latin America Roundtable on Corporate Governance on 6-7 November in Santiago, Chile. The note was authored by Valentina Cociancich under the responsibility of Caio de Oliveira, all from the Capital Markets and Financial Institutions Division of the OECD Directorate for Financial and Enterprise Affairs.

Please send any comments or questions to Caio.DEOLIVEIRA@oecd.org and Valentina.COCIANCICH@oecd.org.

1. Public equity markets

Equity markets can play a key role in the sustainable growth of an economy by providing access to long-term investments that help companies to develop productive and innovative activities. Equity markets also provide an opportunity for ordinary households to participate in the corporate value creation, offering them access to additional options for managing savings and planning for retirement.

In 2024, 1 010 companies were listed in the Latin American equity markets with a total market capitalisation of USD 1 488 billion (Table 1). Brazil's equity market represents almost half of the total market capitalisation of the region (44.4%), followed by Mexico (27.9%) and Chile (11.0%). The remaining 16.7% corresponds to Argentina (6.0%), Peru (5.7%), Colombia (4.8%), and Costa Rica (0.2%). On average, large companies represent 84% of the market capitalisation in each country.

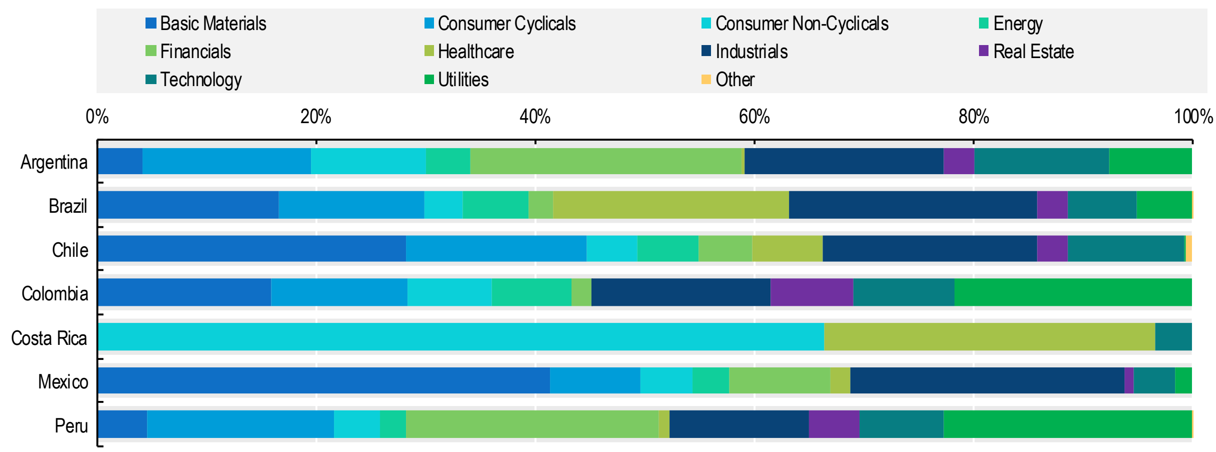
Table 1. Listed companies in Latin America in 2024

	No. of listed companies	Market cap. (USD billion)	No. of large companies	Market cap. of the large companies (USD billion)
Argentina	86	89	19	77
Brazil	372	661	85	606
Chile	184	163	32	132
Colombia	61	72	15	65
Costa Rica	7	2	1	1
Mexico	139	415	54	392
Peru	161	85	20	73

Note: Excluding investment funds and REITs, as well as companies whose equity was not traded in 2024. "Large companies" includes all companies with market capitalisation greater than USD 1 billion.
Source: OECD Capital Market Series dataset, LSEG.

Basic materials is the largest industry in Chile and Mexico among listed companies, accounting on average for 35% of the total market capitalisation, while the financial sector is predominant in Argentina and Peru (on average 24%). Consumer non-cyclicals is the most important industry in Costa Rica (66%), industrials in Brazil (23%) and utilities in Colombia (22%). Health care industry has the lowest shares of the equity markets in Argentina, Colombia and Peru (Figure 1).

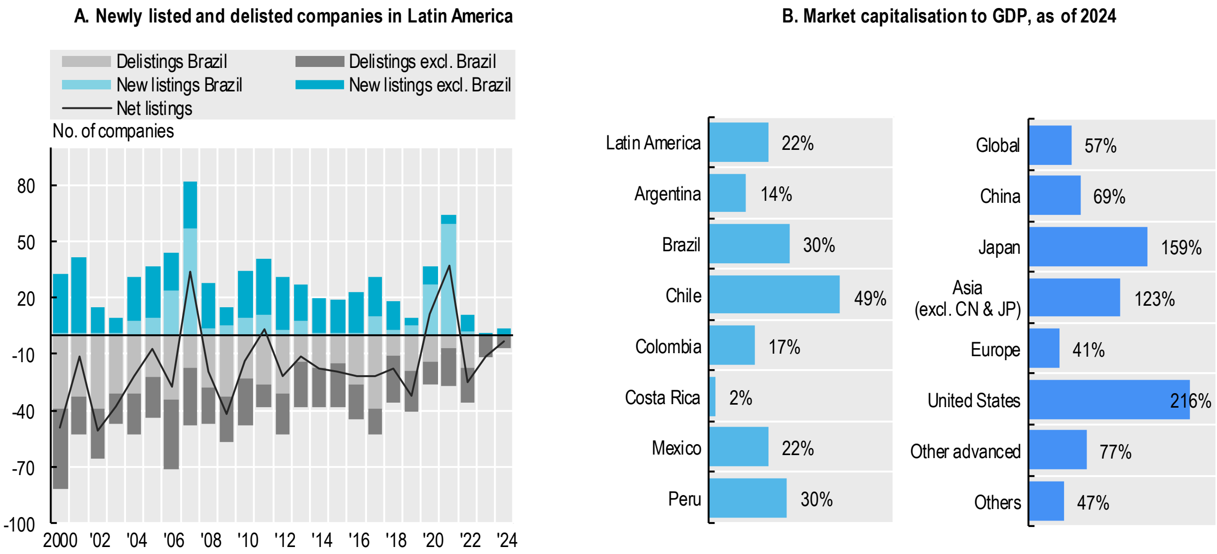
Figure 1. Main industries by market capitalisation in 2024



Note: Excluding investment funds and REITs. The category "other" includes academic and educational services, government activity and institutions, associations and organisations.
Source: OECD Capital Market Series dataset, LSEG.

Between 2000 and 2024, 706 new listings and 1 104 delistings took place in the Latin American equity markets (Figure 2, Panel A). Net listings were only positive in 2007, 2011, 2020 and 2021, mainly driven by listings in the Brazilian equity market. In 2024, the market recorded only 6 new listings across the entire region. In contrast, 9 companies delisted their shares, all from Brazil. Total market capitalisation to GDP in Latin America ranges from 2% in Costa Rica to 49% in Chile, which is below the average in almost all other regions (Figure 2, Panel B).

Figure 2. Summary statistics of public equity markets

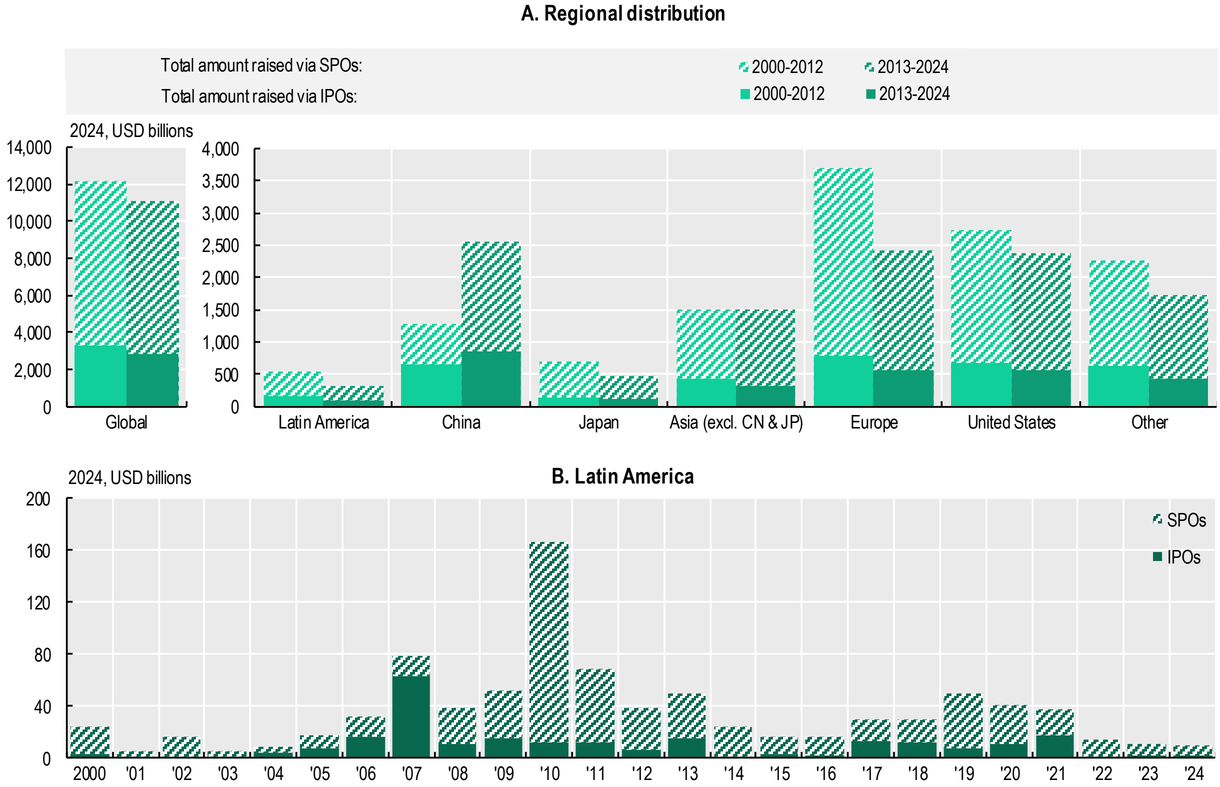


Note: Excluding investment funds and REITs. In panel A, Argentina's companies are not covered in 2024.
Source: OECD Capital Market Series dataset, LSEG, and, for up to 2021, Latin American stock exchanges and securities regulators. For years 2023 and 2024, newly listed and delisted domestic companies from the WEF Annual Statistics Guide are considered (World Federation of Exchanges, 2025[1]), (World Federation of Exchanges, 2024[2]).

Globally, the total amount raised via initial public offerings (IPOs) has remained generally stable since 2000, while the amount raised via secondary public offerings (SPOs) has increased when compared to the previous decade. In 2000-12, the total amount raised via both IPOs and SPOs was mainly driven by Europe and the United States, while between 2013 and 2024 China contributed with a substantial increase, notably in the total amount raised via SPOs. The United States and Europe still registered a significant amount of SPOs, although the latter had fewer IPOs and SPOs than in the previous years (Figure 3, Panel A).

In Latin America, over the past 20 years, SPOs have been significantly larger than IPOs in terms of the total amount raised. A significant exception is 2007, when the IPO market recorded almost USD 62 billion compared to USD 15.7 billion raised via SPOs. Since 2010, the year in which the largest amount of proceeds was raised via public equity offerings, the trend in Latin America has slowed down, with slight variations over the following years. In 2024, Mexico recorded two IPOs, accounting for USD 1.04 billion out of the USD 1.2 billion raised via IPOs in the entire region (Figure 3, Panel B).

Figure 3. Initial public offerings (IPOs) and secondary public offerings (SPOs), total amount raised

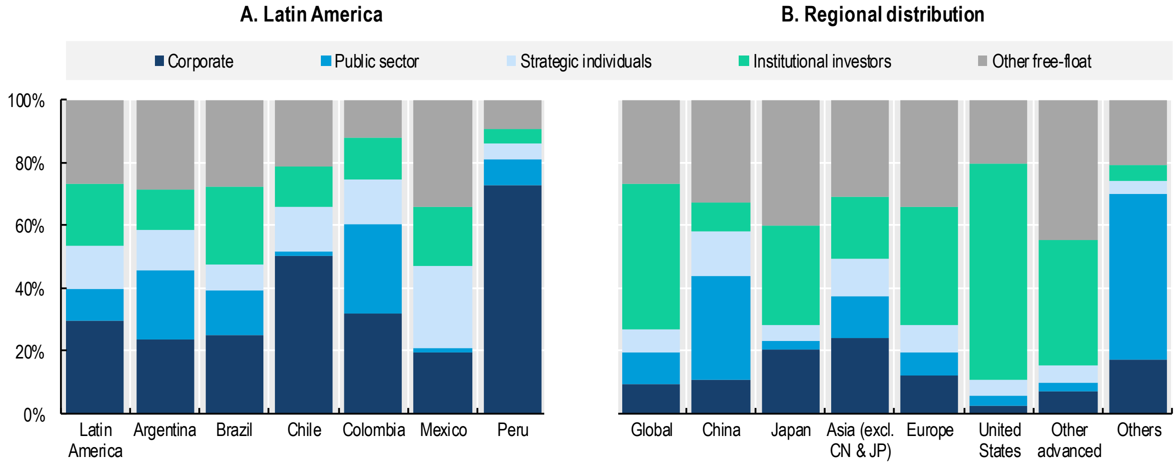


Source: OECD Capital Market Series dataset, FactSet, LSEG, Bloomberg.

2. Investors and ownership structure in public equity markets

Institutional investors dominate the ownership landscape of listed companies worldwide, holding on average almost half of the equity shares globally. They are important owners in Japan, Europe, and Other advanced, holding on average 37% of the listed equity, and in the United States where their stake amounts to 69% (Figure 4, Panel B). In Latin America, institutional investors' share of the listed equity totals 20%, ranging from 5% in Peru, up to 19% in Mexico and 25% in Brazil. Moreover, while corporations only hold 9% of the listed equity globally, in Latin America, they own almost one-third of the region's listed equity. Corporations hold 73% of the listed equity in Peru and 50% in Chile. The public sector is an important owner in Colombia (29%), Argentina (22%) and Brazil (14%) (Figure 4, Panel A).

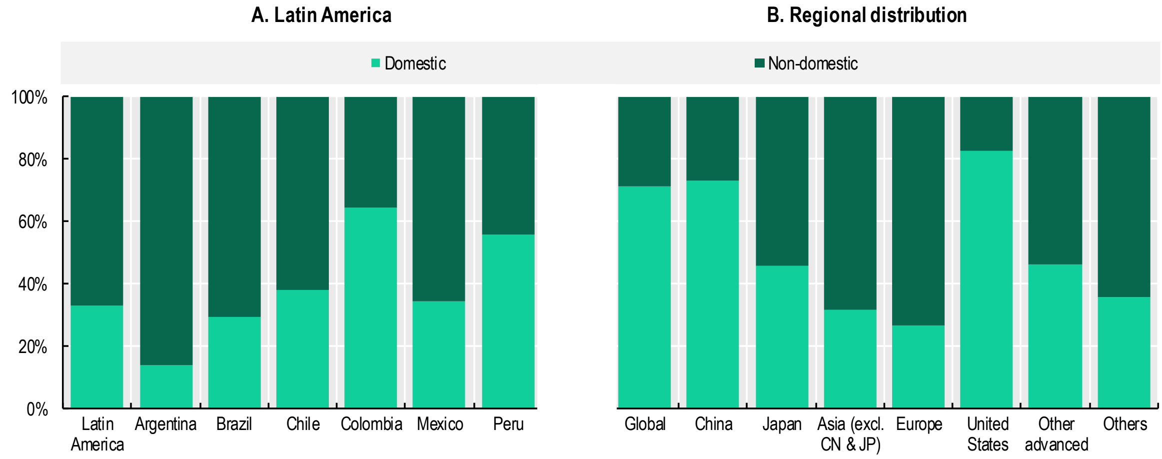
Figure 4. Investors' public equity holdings in 2024



Note: The figure shows the ownership distribution among different categories of owners, using the categories in the report Owners of the World's Listed Companies (De La Cruz, Medina and Tang, 2019[3]). "Other free-float" refers to the holdings by shareholders that do not reach the threshold for mandatory disclosure of their ownership records or retail investors that are not required to do so.
Source: OECD Capital Market Series dataset, FactSet, LSEG, Bloomberg.

Non-domestic institutional ownership is significant in Latin America's equity markets. More than two-thirds of the institutional investor ownership is attributed to investors domiciled outside the region, and, with the exception of Colombia and Peru, non-domestic institutional investors hold a larger equity share than domestic ones in the major Latin American markets (Figure 5, Panel A). In contrast, only in China and the United States, the domestic institutional investor participation is considerably larger than the non-domestic one (Figure 5, Panel B).

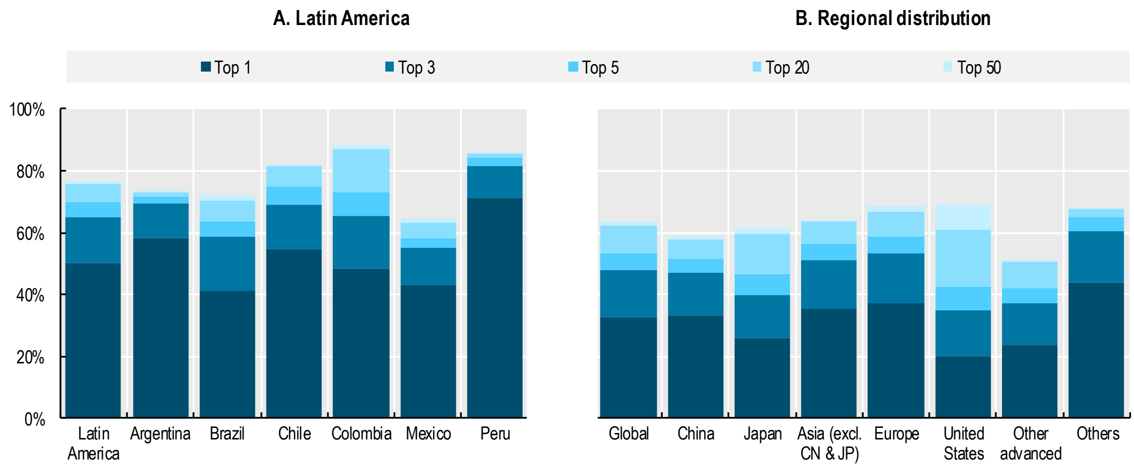
Figure 5. Domestic and non-domestic institutional ownership in 2024



Source: OECD Capital Market Series dataset, FactSet, LSEG, Bloomberg.

The ownership concentration in the listed sector is the highest in Latin America, when compared to other regions (Figure 6). The average combined holdings of the largest shareholder totals 50% in Latin America, while in the rest of the regions it averages 31%. For example, in Peru the largest shareholder owns 71% of the equity shares, and the largest 20 shareholders own 86% of the equity shares. In the United States, for instance, the largest shareholder owns on average 20% of the equity shares, although this share increases up to 69% when considering the largest 50 shareholders.

Figure 6. Ownership concentration at the company level in 2024

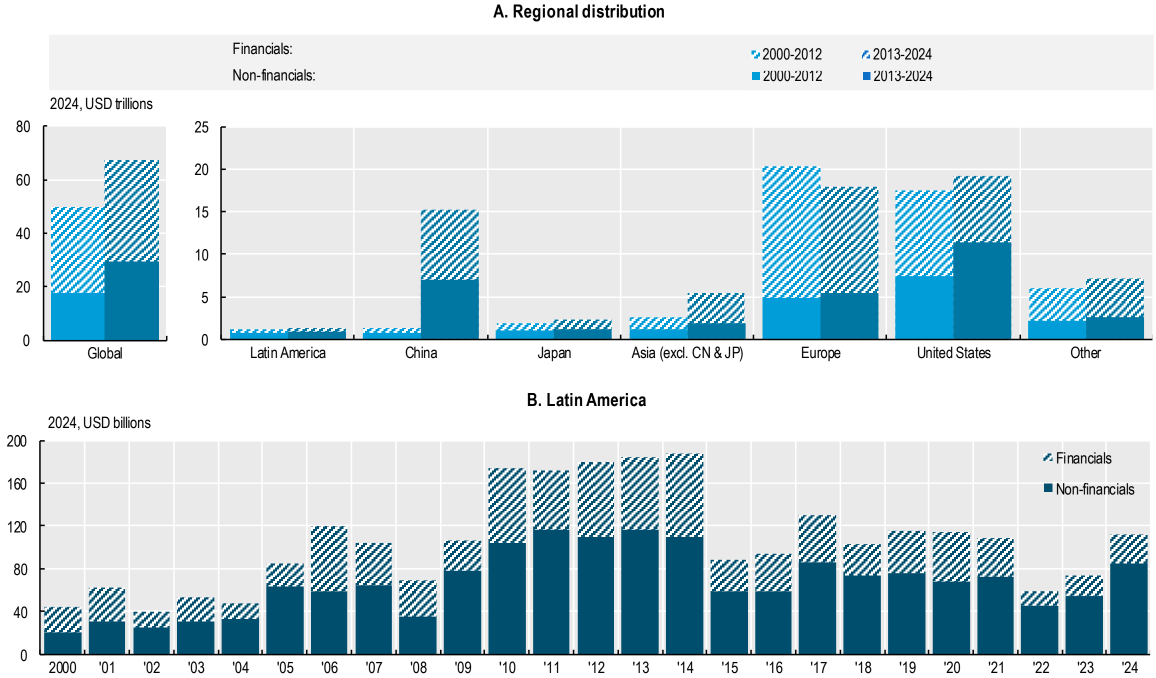


Source: OECD Capital Market Series dataset, FactSet, LSEG, Bloomberg.

3. Corporate bond markets

Globally, the corporate bond market has grown sharply over the past 20 years, with the global issuance rising from an annual average of USD 1.9 trillion between 2000 and 2012 to USD 2.8 trillion between 2013 and 2024. Europe and the United States are the largest contributors to the corporate bond issuance, while China recorded the biggest growth, issuing an annual average of USD 634 billion in 2013-24, which was 13 times more than the annual average amount issued in 2000-2012 (Figure 7, Panel A). In Latin America, the issuance of corporate bonds by non-financial companies has been predominant over the past 20 years, with the highest amounts recorded from 2011 to 2013. In 2024, USD 111.2 billion was raised in corporate bonds in the region, more than half of which was issued in the Brazilian bond market (Figure 7, Panel B).

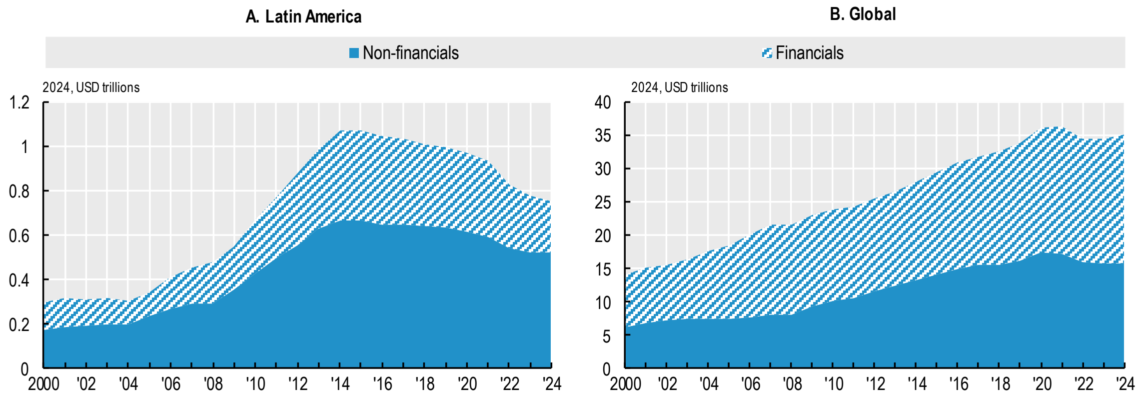
Figure 7. Corporate bonds issuance



Source: OECD Capital Market Series dataset, LSEG.

The outstanding amount of corporate bonds in Latin America followed an upward trajectory up to 2014, when it reached a record amount of USD 1.07 trillion. However, ever since, this amount has decreased amounting to USD 753 billion in 2024 (Figure 8, Panel A). Globally, the outstanding amount of corporate bonds increased consistently since 2000, peaking at USD 36.2 trillion in 2021 although it slightly decreased in 2022 (Figure 8, Panel B). Moreover, in 2024, Latin America's share in the global outstanding amount of corporate bonds issued by non-financial companies accounted for 3.3%, while the share stood at 1.2% for bonds issued by financial companies.

Figure 8. Outstanding corporate bonds



Source: OECD Capital Market Series dataset, FactSet, LSEG, Bloomberg.

4. Reference

De La Cruz, A., A. Medina and Y. Tang (2019), *Owners of the World's Listed Companies*, OECD Capital Market Series, Paris, http://www.oecd.org/corporate/OwnersoftheWorldsListedCompanies.htm. [3]

World Federation of Exchanges (2025), *2024 Annual Statistics Guide*, https://www.world-exchanges.org/our-work/articles/2024-annual-statistics-guide. [1]

World Federation of Exchanges (2024), *2023 Annual Statistics Guide*, https://www.world-exchanges.org/our-work/articles/2023-annual-statistics-guide. [2]