



Daily



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MAX - Americas Region Daily Summary - June 29, 2024

Highlights of the Day

- **Chile:** Boric affirms Electricity Rate Stabilization Law's implementation on June 27; to burden inflation recovery, mount public discontent
- **Mexico:** AMLO announces agreement with Chinese lithium company after arbitration case on June 27; likely strategic in nature
- **Mexico:** Animal rights activists call for demonstrations nationwide, including in Mexico City, on June 30; allot for disruptions
- **USA:** SCOTUS disallows Idaho legislature barring emergency abortion services on June 27; abortion to remain key voter issue

Actionable Items

Brazil & Mexico: Pro-Palestinian protests planned in Sao Paulo, Mexico City on June 30; maintain heightened vigilance

Current Situation: According to reports, pro-Palestinian protests demanding a ceasefire amid the ongoing Israel-Hamas conflict are slated in Brazil and Mexico on June 30. In Sao Paulo city, SP, Brazil, a protest is slated at Praca Oswaldo Cruz on Avenida Paulista at 09:00-11:00 (local time). In Mexico City, Mexico, a protest march is slated starting from Angel de la Independencia to Palacio de Bellas Artes at 14:00.

Assessments & Forecast: Given precedent, coupled with social media estimates, the protests in Sao Paulo and Mexico City are expected to draw turnouts in the mid-to-high hundreds each. Based on the precedent of March 29, the protest in Mexico City can potentially escalate into localized unrest, roadblocks, and scuffles between protesters, security personnel, and potential pro-Israel counter-protesters. Conversely the protest in Sao Paulo is likely to transpire peacefully. A bolstered security presence to monitor proceedings. Besides, localized traffic disruptions can be anticipated near both protest locations during the slated timings.

Recommendations: Those operating or residing in the aforementioned cities in Brazil and Mexico on June 30 are advised to maintain heightened vigilance near the pro-Palestinian protests due to the potential for unrest. Allot for traffic disruptions near all protest locations.

Canada & USA: Pride parades slated in multiple cities on June 29-30; maintain heightened vigilance

Current Situation: In Toronto, ON, Canada, a march is slated at Grange Park at 14:00 (local time) on June 30. The march will be staged in solidarity with the Palestinian cause. In Chicago, IL USA, a march is slated from Sheridan and Broadway at 3900 North Broadway to the intersection of Diversey Parkway and Sheridan Road in Lincoln Park at 11:00 on June 30. In Houston, TX, the parade is slated from Bagby Street and Lamar Street to Pease Street at 19:15 on June 29. In San Francisco, CA, a march is slated from the intersection of Market Street and Beale Street to Civic Center at 10:30 on June 30.

Assessments & Forecast: The parades are expected to draw varying turnouts from the mid-hundreds to low millions, with the New York City march likely to witness the highest attendance of two million participants. Parades carry a credible potential for disruptive pro-Palestinian counter-protests in the vicinity, especially in San Francisco and New York City where the participation of pro-Palestinian activists in a rally nearby and Israeli Consulate affiliates is expected, respectively, which can lead to scuffles.

Recommendations: Those operating or residing in the aforementioned cities in Canada and the USA on June 29-30 are advised to maintain heightened vigilance in the vicinity of planned marches due to the potential for localized unrest. Allot for disruptions to traffic near all the parades.

Canada: Aviation mechanics at WestJet Airlines announce nationwide strike on June 29, prompting flight cancellations; reconfirm itineraries

Current Situation: Unionized aircraft mechanics working at WestJet Airlines, associated with the Aircraft Mechanics Fraternal Association (AMFA), have announced a strike on June 29. Given this, WestJet cancelled at least 150 flights nationwide on June 29, consequently impacting travel for at least 20,000 passengers. The strike has been called to denounce WestJet's alleged unwillingness to negotiate over collective bargaining arrangements with AMFA.

Assessments & Forecast: Based on precedent, including a partial strike on June 27-28, the labor action is expected to be widely adhered to, causing significant disruptions to WestJet's services, including short-notice flight delays, cancellations, and long waiting times on June 29. The airline may cancel additional flights in the coming days if the strikes continue. Even if an agreement is reached and the strike is called off, delays could persist after the strike ends as the airline addresses a potential backlog of flights. Small-scale demonstrations by unionized workers in the low-to-mid dozens remain possible at airports, including at Calgary International Airport (YYC) in Calgary, AB, and are unlikely to see any instances of unrest or cause significant travel disruptions.

Recommendations: Those scheduled to fly on WestJet-operated flights in Canada on June 29 and in the coming days are advised to reconfirm itineraries and allot for travel-related disruptions due to the above-stated labor action.

Mexico: Animal rights activists call for demonstrations nationwide, including in Mexico City, on June 30; allot for disruptions

Current Situation: Animal rights activists and associated groups, including Patitas Laguneras and Unidos Rescatando, have called for demonstrations nationwide on June 30 to denounce incidents of abuse and violence recorded against animals and the ineffective enforcement of existing safeguards. In Guadalajara, Jalisco, a protest is slated outside the Congreso del Estado de Jalisco located in Zona Centro, from 11:00 (local time). In Mexico City, demonstrators will commence marching from the Angel de la Independencia towards the Zocalo from 11:00. Additionally, marches are slated across other cities, including in Santiago de Queretaro, Toluca, and Toluca.

Assessments & Forecast: Based on precedent, including similar protests held nationwide on June 26, 2023, the upcoming demonstrations are likely to draw an attendance in the mid-to-high hundreds at each location. The protest march in Mexico City can be expected to draw a higher turnout in the mid-to-high thousands. While demonstrations are expected to transpire peacefully without any major incidents of

unrest, a bolstered security presence can nonetheless be expected near the protest locations, causing localized disruptions to vehicular and pedestrian traffic in the vicinity.

Recommendations: Those operating or residing in Mexico on June 30 are advised to allot for disruptions to travel in the vicinity of the aforementioned locations due to the slated demonstrations.

Notable Events

Argentina & Venezuela: Maduro lashes at Milei for destroying Argentine economy on June 27; ties to worsen amid heightening rhetoric

Current Situation: On June 27, President Nicolas Maduro criticized Argentinian President Javier Milei, calling him a ‘sadistic sociopath’ and accusing him of ruining Argentina’s economy. Meanwhile, Asamblea Nacional President Jorge Rodriguez claimed that opposition campaign managers from the Plataforma Unitaria Democratica (PUD) and Vente Venezuela (VV) parties under asylum in the Argentina Embassy in Caracas were attempting to destabilize the July 28 presidential elections.

Assessments & Forecast: Maduro’s remarks come amid deteriorating ties between Caracas and Buenos Aires, especially since Milei took office, with his pro-US stance and seemingly libertarian economic policies often becoming frequent targets of Maduro’s criticism. To that end, Maduro’s comments aim to cast Milei’s economic and financial actions, such as increased privatization and reduced welfare funding, in a negative light compared to his own left-leaning policies. Meanwhile, with the Argentine embassy granting asylum to six opposition leaders, coupled with worsening diplomatic relations, Maduro and his supporters are expected to continue escalating rhetoric about Argentina’s support for the opposition, and plausibly linking Buenos Aires to alleged opposition plots to destabilize the elections.

Chile: Boric affirms Electricity Rate Stabilization Law’s implementation on June 27; to burden inflation recovery, mount public discontent

Current Situation: President Gabriel Boric on June 27 affirmed the Electricity Rate Stabilization Law’s implementation to recover the 6.5 million USD debt caused by the freezing power rates in 2019 amid the social outbreak. Accordingly, the first electricity hike is scheduled from July 1 with a 15 percent average increase, rising to a 60 percent

increase by 2025. The Stabilization bill, passed by the Senate on April 12, creates a subsidy to reduce the electricity bills of around 1 million vulnerable households.

Assessments & Forecast: The electricity hike and the resultant increase in the cost of goods and services is expected to burden inflation recovery, with the Banco Central de Chile readjusting projection of the Consumer Price Index to 4.2 percent at the end of 2024 from the targeted 3 percent. The development, coupled with Finance Minister Mario Marcel indicating limitations in resources to expand subsidies, will likely further heighten public discontent against the Boric-led government ahead of the October 27 municipal and regional elections. To this end, Boric's public disapproval rating rose to 70 percent in May, the highest since taking office in 2022.

Mexico: AMLO announces agreement with Chinese lithium company after arbitration case on June 27; likely strategic in nature

Current Situation: On June 27, President Andres Manuel Lopez Obrador (AMLO) announced an agreement with a private Chinese lithium mining company. This comes after the Chinese company and two of its subsidiaries filed an international arbitration case against Mexico on June 21, following the cancellation of a potential one billion USD mining project in Sonora.

Assessment & Forecast: AMLO's decision to seek an agreement over disputed mining concessions is likely a strategic move to leverage a favorable position while asserting sovereignty over strategic minerals without alienating international partners, thereby aligning with his stance on nationalization of the lithium industry. Should AMLO successfully negotiate an agreement, it could maintain foreign investors' confidence in Mexico's resource sectors, while failure could deter investment and impact Mexico's role in the global lithium market. Further with President-elect Claudia Sheinbaum emphasizing on developing domestic expertise for lithium extraction, particularly through the efforts of the Mexican Petroleum Institute, a resource policy approach similar to AMLO's can be expected going forward.

Mexico: Residential robbery escalates to homicide in GAM, Mexico City on June 27; reflects latent threat of house break-ins in borough

Current Situation: On June 27, authorities reported the death of an elderly resident, an official of the Secretaria de Hacienda, during a robbery in the residential neighborhood of Torres Lindavista, Gustavo A Madero (GAM) borough, Mexico City. The suspects reportedly intercepted the victim around 22:00 (local time) after he returned to the residence. Per

reports, the privately hired security guard at the residence was unable to deter multiple assailants.

Assessments & Forecast: While Torres Lindavista neighborhood has not recorded frequent instances of violent crimes and is relatively safer, the threat persists in the wider GAM borough. This is reflected in the death of a resident during an armed robbery at a residence in the San Felipe de Jesus neighborhood in GAM on February 13, also indicating the latent potential of such robberies escalating into fatal violence, especially if the victims resist. Reports indicating that 40 percent of violent robberies recorded citywide between January-June 2023 took place in two boroughs, including GAM, with 863 cases, adds to the latent potential for opportunistic break-ins to occur in the neighborhood, including in relatively safer residential areas.

USA: SCOTUS disallows Idaho legislature barring emergency abortion services on June 27; abortion to remain key voter issue

Current Situation: On June 27, the Supreme Court (SCOTUS) voted 6-3 in favor of disallowing Idaho state legislature barring emergency abortion services. The ruling allows doctors' discretion to perform abortions in Idaho in medical emergencies and will return the legislation to lower courts.

Assessments & Forecast: This ruling follows the Conservative-majority SCOTUS's June 13 verdict ensuring the availability of a common drug used for ending a pregnancy. The development is notable given abortion's significance as a key voter issue for the 2024 presidential election, highlighted in June 13 reports indicating 32 percent of voters would vote for a candidate for major office who shares their views on abortion. To this end, former President Donald Trump expressed support for abortion during rape, incest, and medical emergency during the first presidential debate on June 27, stating "you gotta get elected", thereby echoing a relative moderation of stance on the issue. This is in line with an estimated 38 percent of voters during the 2022 midterms being influenced by SCOTUS's overturning of *Roe v. Wade*, which manifested in a stronger performance by Democrats despite President Joe Biden's falling approval ratings.

Other Developments

- On June 28, **Bolivian** authorities announced the arrest of 17 suspects and ordered six months of preventive detention for General Juan Jose Zuniga and two other military officers accused of leading the failed coup against President Luis Arce.
- In **Colombia**, authorities arrested Tren de Aragua's (TdA) leader in Bogota and Soacha, alias El

Salomon, on June 27.

- In **Mexico**, a crossfire between two unidentified groups along the Chihuahua - Juarez highway left six dead and two injured on June 28. Officials found the bodies near Ejido Nuevo Delicia.
- The **US** the Department of Homeland Security extended access to the Temporary Protected Status (TPS) program to **Haitians** on June 28, till February 2026, amid the ongoing security crisis in Haiti.
- The **US** announced resumption of avocado imports from Michoacan, **Mexico** from July 1 following the suspension of imports announced on June 15.
- In the **USA**, according to a poll, 67 percent of the watchers of the first presidential debate on June 27 stated that former President and Republican Presidential candidate Donald Trump performed better than President Joe Biden.

Notable Dates

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JUL Antigua and Barbuda & Guyana Holiday: Caricom Day

1
JUL Bonaire, Sint Eustatius and Saba, Sint Maarten, Suriname Holiday:
Emancipation Day

1
JUL Cayman Islands Holiday: Constitution Day

1
JUL Saint Vincent and Grenadines Holiday: Vincy Mas

1
JUL Canada Holiday: Canada Day

1
JUL Colombia Holiday: Saints Peter and Paul's Day
