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## **Abstract**

This paper proposes comprehensive measures of the Latin American business cycle that help to infer the expected deepness of recessions, and strength of expansions, as they unfold in real time. These measures are based on the largest country economies in the region by accounting for intrinsic features of real activity, such as comovement, nonlinearities, asymmetries, and are also robust to unprecedented shocks, like the COVID-19 pandemics. The proposed measures provide timely updates on (i) inferences on the state of the regional economy, (ii) the underlying momentum embedded in short-term fluctuations of real activity, and (iii) the quantification of macroeconomic tail risks. We evaluate as well the time-varying effects of U.S. financial conditions on the Latin American economy by employing the proposed measures, and identify periods of persistent international spillovers.