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## Latin America Advisor

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### FEATURED Q&A

## Will Peru Be Able to Move Past its Fraught Election?



Two and a half weeks after Peru's close presidential election, no winners have yet been named. The Government Palace in Lima is pictured. // File Photo: Eduardo via Adobe Stock.

**Q** The final results from Peru's general election will likely not be available until the middle of May, as a special jury is now set to review hundreds of thousands of ballots before a deadline of May 15, Peru's Office of National Electoral Processes announced on April 20. Conservative former lawmaker Keiko Fujimori is set to advance to a June 7 runoff in the presidential race with 17.09 percent of the votes, but a thin margin separates the second- and third-place candidates; lawmaker Roberto Sánchez Palomino is currently in second place with 12.04 percent and former Lima Mayor Rafael "Porky" López Aliaga has 11.88 percent. What is causing the delay? How might the election play out between now and May 15? Of López Aliaga and Sánchez Palomino, who has the best chance against Fujimori in the runoff? How will the fraught vote counting process affect the stability of Peru's next presidential administration?

**A** Cynthia McClintock, professor of political science and international affairs at The George Washington University: "Amid an election wracked not only by party system fragmentation and polarization but also by electoral authorities' blunders, the next administration's legitimacy deficit will be serious. The delay in the vote count is due to a review of problematic tally sheets by a special council and to turmoil in the National Office of Electoral Processes (ONPE); amid the ONPE's failure to deliver electoral materials on time to many voting centers in Lima, its head resigned. Still, delays provoke suspicions. Now, it is almost certain that in the runoff, Fujimori will face the far-left candidate, Sánchez, a minister in Pedro Castillo's 2021-

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### TODAY'S NEWS

#### POLITICAL

### Colombia Offering Reward for Man Accused in Fatal Highway Bombing

Colombia is offering a reward for the man accused of ordering a bombing that killed 21 people Saturday on a highway in Cauca department.

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#### BUSINESS

### Nubank to Invest \$8.2 Billion in Brazil This Year

Brazil-based Nubank said it plans to invest 45 billion reais (\$8.2 billion) this year in its home market. The digital bank has 113 million customers in Brazil.

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#### BUSINESS

### Walmex Reports 1.5% Rise in Profit for First Quarter

Walmart's Mexico and Central America unit on Tuesday reported a 1.5 percent rise in profit for the first quarter. Walmex's president and CEO, Cristian Barrientos Pozo, said the company is seeing "early signs of improvement."

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Barrientos Pozo // File Photo: Walmart.

## POLITICAL NEWS

## Colombia Offering Reward for Man Accused in Attack

Colombia's government is offering a reward of \$1.4 million for information that leads to the arrest of the man accused of ordering the bombing of a highway that killed 21 people Saturday in the southwestern Cauca department, CBS News reported Tuesday. Iván Jacob Idrobo Arredondo, also known as "Marlon," was behind the attack, Defense Minister Pedro Sánchez alleged. The bombing also wounded dozens of people and left behind the twisted metal wreckage of several vehicles and a 650-foot hole in the road, CBS News reported. The attack, which happened on a road between the cities of Cali and Popayán, was the "most brutal and ruthless attack against the civilian population in decades," said Cauca's governor, Octavio Guzmán, CBS News reported. The bomb exploded after assailants used a bus and another vehicle to block traffic, armed forces head Hugo López said at a press conference on Saturday. Marlon is part of a group led by Iván Mordisco, who heads the Central General Staff, a dissident faction of the demobilized Revolutionary Armed Forces of Colombia, or FARC, rebel group, CBS News reported. The highway bombing was one of 26 attacks that armed groups launched, using explosives and drones, in southwestern Colombia since Friday, the Associated Press reported. The violence came ahead of Colombia's May 31 presidential election.

## BUSINESS NEWS

## Walmex Reports Slight Rise in Net Profit for Q1

Walmart's Mexico and Central America unit on Tuesday reported 12.5 billion pesos (\$697.34

million) in net profit for the first quarter, a rise of 1.5 percent as compared to the same quarter a year ago. The company's profit for the first quarter was slightly above the estimate of 12.06 billion pesos that analysts at LSEG had expected, Reuters reported. "We are seeing early signs of improvement across key operational levers, Cristian Barrientos Pozo, Walmex's president and CEO, said in a statement. "The actions we've taken are gaining traction, reinforcing our confidence in the path forward," he added. Strong growth in Mexico helped to offset higher costs and weaker results at Walmex's stores in Central America, the wire service reported. Walmex added in its earnings release that its consolidated revenues grew 4.4 percent in Mexico and 2.5 percent in Central America as compared to the first quarter of 2025. It added that same-store sales growth was 3.1 percent year-on-year in Mexico and 0.9 percent in Central America. Walmex said its overall revenue rose 245.02 billion pesos in the first quarter, an increase of 1.7 percent year-on-year, a figure that missed the estimate of 269.96 billion pesos by analysts at LSEG, Reuters reported.

## Eni Signs Deal to Revive Heavy Crude Project in Venezuela

Italian oil major Eni on Tuesday agreed to revive a joint venture in Venezuela's heavy crude-rich Orinoco belt alongside state-run PDVSA, Bloomberg News reported. Eni's CEO, Claudio Descalzi, signed the agreement in Caracas in a meeting with acting Venezuelan President Delcy Rodríguez, as well as energy minister Paula Henao and PDVSA chief Héctor Obregón, Eni said in a statement. Eni's agreement to resume activities at the Junín-5 project was facilitated by U.S. sanctions relief against Venezuela's oil sector, Bloomberg News reported. PDVSA controls 60 percent of the Junín-5 project and Eni owns the remaining 40 percent. The Italian firm first joined the venture in 2013, Oilprice.com reported. The Junín-5 field contains 35 billion barrels of recoverable oil resources, but its development has stalled in recent years. In

## NEWS BRIEFS

## U.S. Senate Rejects Measure to End Energy Blockade of Cuba

U.S. Senate Republicans on Tuesday defeated legislation proposed by Democrats to end President Donald Trump's energy blockade of Cuba unless it receives congressional approval, the Associated Press reported. The measure was rejected in a vote of 51-47. The legislation was the latest unsuccessful effort by Democrats to limit Trump's ability to deploy military force. The measure defeated on Tuesday also would have required congressional approval for any future attacks on Cuba.

## Petroperú Needs Funding to Avoid Insolvency: Chair

Peruvian state-run oil firm Petroperú needs at least \$2 billion in emergency financing or it could be forced to halt operations at its two largest fuel refineries, chairman Roger Arévalo told a congressional committee on Tuesday, Reuters reported. High prices of crude oil, which Petroperú purchases almost exclusively from abroad, have exacerbated existing difficulties at the firm, Arévalo said. Petroperú is unlikely to receive any direct assistance from Peru's government, which has given the company \$5.3 billion since 2023, Reuters reported.

## Chile Reaches Battery Storage Milestone Four Years Ahead of Schedule

Chile's international commitment of installing two gigawatts of battery storage capacity for renewable energy by 2030 was accomplished at the end of March, PV Magazine reported on Tuesday, citing data from Chile's energy ministry. Two battery projects in northern Chile, each with more than 150 megawatts in continuous storage capacity, began commercial operations in March. Battery storage is key to limiting the curtailment of intermittent solar and wind energy, which has risen in Chile in recent years.

its statement on Tuesday, Eni did not commit to a timetable for beginning major oil production and export operations from the project. Descalzi told reporters Tuesday that Eni would present an investment plan for Venezuela before the end of this year, Reuters reported. Eni's agreement with Venezuela's government comes as Rodríguez's administration is actively reaching out to oil and gas firms with pre-existing operations in Venezuela; Chevron, Shell and Repsol have each signed deals to renew or expand existing ventures in Venezuela in recent weeks, Reuters reported. Eni, along with Repsol, also plans to develop an offshore liquefied natural gas export terminal in Venezuelan waters, the firm announced earlier this month. "This is one of the most important bets on our country in recent times," Rodríguez said Tuesday in remarks on state television, the wire service reported.

## Nubank to Invest \$8.2 Billion in Brazil This Year

Nubank, Latin America's largest digital bank, announced Monday that it will invest approximately 45 billion reais (\$8.2 billion) this year in its home market of Brazil. The amount of the company's investment has nearly doubled over the past two years and "reflects the business' solidity and the company's long-term commitment to the Brazilian market," Nubank said in a statement. Nubank has 113 million customers in Brazil, making up more than 60 percent of the country's adult population, the company said. The money Nubank is investing this year will be in four main areas: development of credit models and platforms based on artificial intelligence; the launch of products and services to "support and simplify customers' financial lives;" expanding its staff and its office network across Brazil; and bolstering its financial base, which includes lending capacity and equity in order to sustain portfolio growth, Nubank said. "The amount covers the full range of the company's economic activities in the country, such as reinvestment of profits generated by the Brazilian operation, investments in technology

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2022 government. However, the vote gap between Sánchez and right wing populist López Aliaga is less than 0.5 percent, and López Aliaga continues to allege fraud. The outcome of the June 7 runoff is uncertain. Fujimori is better positioned than in the 2021 runoff, which she narrowly lost to Castillo; corruption charges have faded, and she appears 'moderate' relative to López Aliaga. However, Sánchez is a much more qualified candidate than Castillo. While López Aliaga approximates the 'outsider' model favored by

“Fujimori's 17 percent of the valid vote was almost identical to the null-or-blank vote.”

— Cynthia McClintock

Peruvians, his support beyond Lima is scant. If Sánchez wins, he would face even greater constraints than Castillo. Peru's legislature is now bicameral, with an exceptionally strong Senate, and Fujimori's party is forecast to have a plurality—about one-third—of the seats in both houses. Significantly for the next administration's legitimacy, amid the original sin of the 2026 elections—an unprecedented plethora of presidential candidates—winners' vote shares were small. Fujimori's 17 percent of the valid vote was almost identical to the null-or-blank vote, and Fujimori, Sánchez and López Aliaga together won less than half. Jorge Nieto, a centrist, professional former minister, had surged in the final days to a surprising fourth place and would have likely won a runoff.”

infrastructure, as well as operating expenses and taxes paid,” the digital bank said in a statement. Nubank said its operations in Brazil drove record earnings last year for its parent company, Nu Holdings. The company had total revenue of 91 billion reais (\$16.3 billion) in 2025, an increase of 45 percent year-on-year

**A** **Alfredo Thorne, former minister of finance of Peru:** “Last Friday, the National Elections Jury (JNE) voted three to two against the request by right-wing candidate Rafael López Aliaga for complementary elections in the Lima polling stations where electoral material had arrived late. He claimed that the irregularities prevented many of his followers from voting. The divide between López Aliaga and Sánchez replicates the deep fracture in the wealth and opportunity distribution between modern Lima, which accounts for about one-third of Peru's voters and voted for López Aliaga, and the Andean communities mainly of the south, which also accounts for one-third of voters and voted for Sánchez. In the 2021 election, former President Pedro Castillo, running with the Perú Libre party, took advantage of this fracture and narrowly won the runoff election against Fujimori by about 40,000 votes. On Dec. 7, 2022, Castillo attempted a coup and was sentenced for attempted rebellion. Sánchez, wearing a similar peasant hat Castillo used in his campaign and enlisting four of his close relatives in Congress and the Senate list, is trying to emulate Castillo. He has promised to pardon Castillo if he is elected, and he has called for a change in the constitution, which he blames for ongoing inequality. An Ipsos poll published last weekend indicated that Fujimori and Sánchez would start the runoff tied with 38 percent each; but had this been against López Aliaga, the latter would win. But ONPE's irregularities have tainted these elections. Although the JNE has decided to let the votes determine who will run against Fujimori in the June 7 runoff, failure to

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on a currency-neutral basis. Its net income of 16.2 billion reais and return on equity of 33 percent were also at record highs. Nubank's credit portfolio last year reached 179.7 billion, a 40 percent increase as compared to 2024, and total deposits reached 230.3 billion, a 29 percent increase from 2024.

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convince the population at large that these irregularities were not substantial enough to overturn the results may induce the losing candidate to protest. In fact, both López Aliaga and Sánchez have said they would call for protests if they finish third. But even if they accept the result, these elections could deepen the social fracture between Lima and the provinces, and the next president could inherit this social instability.”

**A** Rosa Alayza Mujica, professor of political science at Pontificia Universidad Católica de Perú: “Peru’s unprecedented election featured 37 candidates, only six of which managed to reach a vote share in the double digits. Leading the pack is Keiko Fujimori of Fuerza Popular—on her fourth attempt at the presidency—and Roberto Sánchez from Juntos por el Peru, who used the sombrero of currently incarcerated former President Castillo; both Fujimori and Sánchez are in position to advance to the second round, even though they together have just 30 percent of the electorate, with 96 percent of votes counted. Regarding nationwide Senate seats, the leading parties are, in order: Fujimori’s Fuerza Popular, then Sánchez’s Juntos por el Perú, and then Renovación Popular, another far-right party. In contrast, the breakdown of lower-house seats by region—with

88 percent of the votes counted—presents a different order: Renovación Popular, then Partido del Buen Gobierno, a centrist party, and then Fuerza Popular. Ultimately, the disconnect between the voters and their elected representatives has doubled; as prominent

“Ultimately, the disconnect between the voters and their elected representatives has doubled...”

— Rosa Alayza Mujica

commentator Fernando Tuesta Soldevilla has pointed out, of the 37 political groups that competed in the election, 24 failed to reach even 1 percent of the vote, and seven failed to secure even the level of support they had claimed to possess. The recent changes to electoral rules created incentives to form new parties in hopes of attracting an ‘outsider’ candidate, thereby exacerbating the fragmentation that fuels the ongoing crisis of political representation.”

*The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta.*

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## Upcoming Events

### Brazil’s Digital Governance Moment

April 29, 2026 | 10:00 a.m. ET | Online

### Nicaragua’s Democratic Crisis: Consolidation of Authoritarian Rule and the Future of U.S. Policy

May 5, 2026 | 10:00 a.m. ET | Inter-American Dialogue

