Foreign Exchange Markets & Interaction

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**Introduction**

The World Factbook provides information on the transportation, exchange and international trade and the business condition of regions like Latin America. The economic environment and the political situation in the state of Paraguay offer a foreign exchange officer to take individual decisions that could benefit their population. This landlocked country has a market economy which is distinguished by urban street vendors, microenterprises, re-export of consumer good to neighboring countries and the large informal sector. The official exchange rate is consist of 39 billion US dollars. It is the ninth largest soy producer in the world, and the average annual value is estimated at 4 percent.

**Discussion**

As a foreign exchange officer, it is essential to choose Paraguay as it has a vibrant market and surrounded by various well-known markets of the world. In the market exchange decisions for the country, there is a need of regularization of the Paraguay import and export through diversity in human capital (Berry, 2017). Specific steps are also taken by a government to enhance diversity and exchange of human capital with various products in Europe and the Middle East. Single digit tax rate, hydroelectric dam, cheap energy, and the labor are the contemporary requirements for the country. Further, the elimination of corruption or maximum reduction can boost the foreign exchange rates and interaction with other markets. Deficient infrastructure and the structural reform are part of progressive economy initiatives.

The decision of shared prosperity through human capital and products is a valuable tool for Paraguay to increase and sustain its growth (Bryant & Javalgi, 2016). Statistics of economics reflect that there is an intense need to demonstrate the service sector which is accounted for 71 percent GDP of the entire globe. In the developing states, the service sector is considered for 52 percent and more than 50 percent of the country's GDP in the leading areas like transport, construction, communication, and distribution is because of services provided by the human capital. The state has achieved the overall framework of services policies, and it incorporated the creation of services forum that coordinate and diversify stakeholder in policy making (Iamsiraroj, 2016). The presence of regulatory agencies and strong regulation in various services sites contribute a large amount of national growth for Paraguay.

Training, structuring and building the capacity of human capital will lead to the quality of life for an ordinary individual. According to the report of World Economic Forum countries in Latin America are declining in their human capital and services that can enhance the productivity of this region. Labor force participation is also low, and it is among the people with age of 55-64. The involvement of the younger generation along with the large scale trained population can provide progressive changes in the exports and foreign exchange.

Social welfare net with the health of familiar individual should be given due importance to enhance their market and services produced in the local and international business (South America, 2019). The economic growth of Paraguay is above the regional average, but there is a need for macroeconomic stability through strong human capital. In the world of business, human capital is not only productive for foreign exchange, but it is also a critical factor in global competitiveness, growth, and development.

**Conclusion**

Skills of workers lead to innovation in multinational companies and also contributes to positive political and social outcomes. The decision of foreign exchange and interaction with other markets is support by World Factbook (Factbook, 2015). A state should consider services sector and human capital like Paraguay. The low labor cost and diversifying the market through social services will significantly enhance the foreign exchange rate.

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