

# Belo Horizonte metropolitan area profile

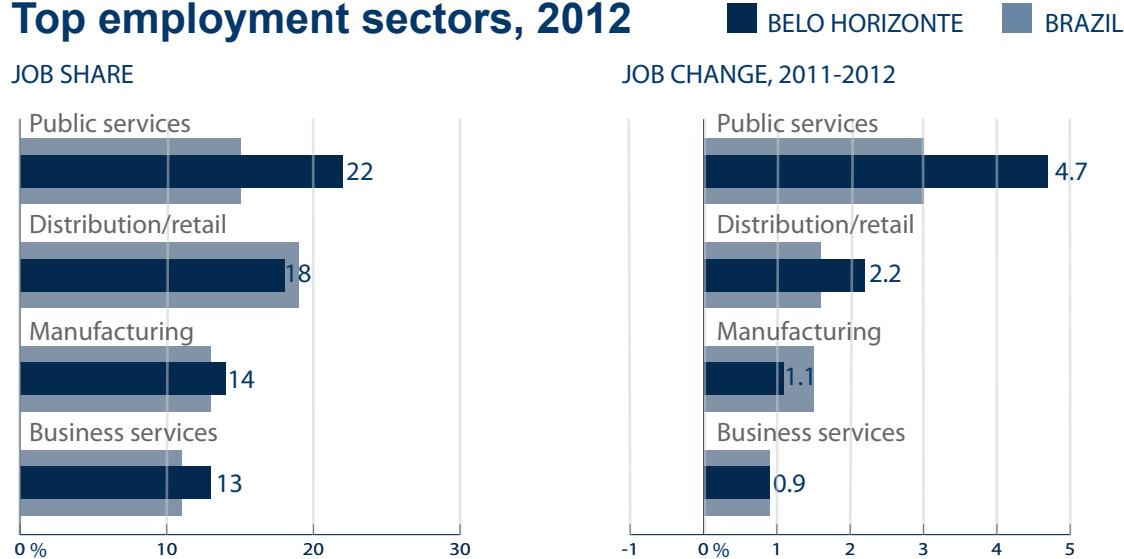
## Overview *(rank among 13 Brazilian metros)*

Population, 2012 in millions	Employment, 2010 in millions	GDP per capita, 2012	Exports in billions, 2007-2012
<b>5.5</b> (3 <sup>rd</sup> )	<b>2.7</b> (3 <sup>rd</sup> )	<b>\$17,239</b> (7 <sup>th</sup> )	<b>\$34.6</b> (4 <sup>th</sup> )

## Economic performance, 2011-2012

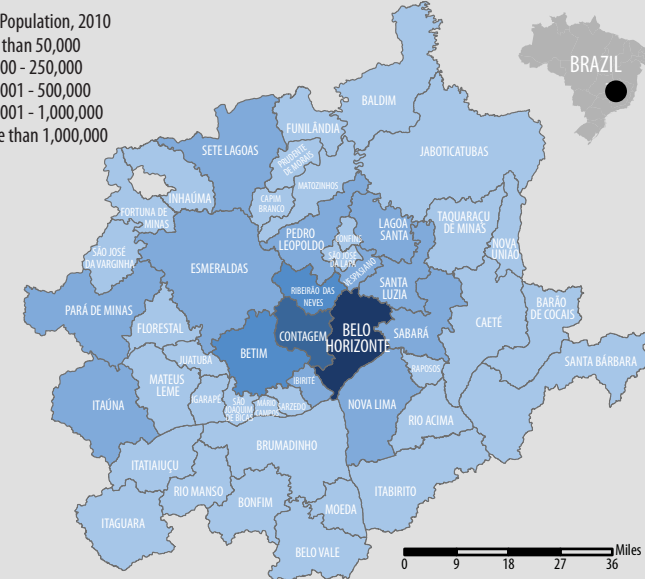
Rank among 13 Brazilian metros: **5<sup>th</sup>**      Rank among 300 world metros: **122<sup>nd</sup>**

## Top employment sectors, 2012

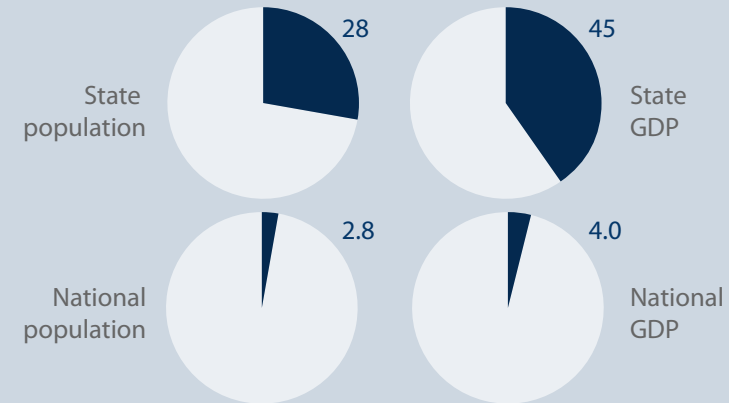


Municipality Population, 2010

- Less than 50,000
- 50,000 - 250,000
- 250,001 - 500,000
- 500,001 - 1,000,000
- More than 1,000,000



## 2010 metro share of



## Key statistics *(national values)*

### Population

Change, 1990-2012:

**33%** (34%)

Working age share of total:

**66%** (63%)

### Migration

Share born outside the state:

**5.8%** (14%)

Emigrants per 1,000 residents:

**3.9** (2.6)

### Education

Share with a college degree:

**15%** (11%)

Literacy rate:

**96%** (91%)

### GDP per capita

Change, 1990-2012:

**44%** (42%)

Change, 2011-2012:

**0.3%** (0.5%)

### Employment

Change, 1990-2012:

**88%** (37%)

Change, 2011-2012:

**2.2%** (1.4%)

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## OVERVIEW

The first of Brazil's planned cities, Belo Horizonte is the capital of Minas Gerais state and one of the few major metropolitan areas that does not lie on the Atlantic coast. Belo Horizonte, translated "beautiful horizon," is the third largest metropolitan area in Brazil and its fourth largest economy. Modeled after the grid, wheel, and spoke design of Washington, D.C., Belo Horizonte is an important industrial, mining, and cultural center for Brazil.

## POPULATION

Belo Horizonte is home to 5.5 million residents, accounting for 28 percent of the population in Brazil's second largest state. It ranks between Atlanta and Miami in population size. The metropolitan area is comprised of 48 municipalities, more than any other metropolitan area in Brazil, and 44 percent of its residents live in the central city. Nine (9) percent of its inhabitants live in *favelas* (irregular settlements), the ninth highest share among the 13 large metropolitan areas.

Inaugurated in 1897 as the state capital, Belo Horizonte has far surpassed its original planned size. The increase of mining and heavy industry in the area since 1950 has contributed to its growth. In recent decades, its population growth matched the national rate of 17 percent in the 1990s and 14 percent between 2000 and 2012.

In terms of age structure and education, Belo Horizonte is fairly typical among large metropolitan areas in Brazil. Twenty-seven (27) percent of its residents are children, 7 percent are seniors, and 66 percent are of working age. Compared to Brazil, it has a slightly lower proportion of children and seniors, with a higher proportion of working-age adults. Ninety-six (96) percent of its population age 10 and

older is literate, higher than the national average of 91 percent. Belo Horizonte ranks seventh among the 13 metro areas for the share of its population with tertiary education, who make up 15 percent of the population age 25 and older.

A relatively large percentage of Belo Horizonte's residents are natives of the region or the state of Minas Gerais. Only 6 percent of metropolitan Belo Horizonte's residents were born outside the state, 10<sup>th</sup> among the metro areas profiled here. Similarly, its foreign-born population share ranks 11<sup>th</sup>, with only 0.2 percent of residents born abroad. Top origin countries are the United States (14 percent), Portugal (13 percent), and Italy (10 percent). Belo Horizonte ranks third highest, however, for the proportion of its residents who lived abroad in 2010, 3.9 per 1,000. One-third of these emigrants live in the United States, followed by one-fifth in Portugal and 7 percent in Spain. Residents from the state of Minas Gerais have been pioneers of the Brazilian diaspora, especially during the 1980s, with large numbers settling in Boston, New York, and Miami.

## ECONOMY

In employment and GDP, Belo Horizonte ranks third and fourth (respectively) among the top Brazilian metros. Its 88 percent employment growth from 1990 to 2012 ranks the metro third in the nation, and its employment growth of just over 2 percent last year ranks it fourth among large metro areas. Belo Horizonte drops to the middle of Brazilian metros (eighth) on its long- and short-term GDP growth. The metropolitan area accounts for nearly half of Minas Gerais' state GDP.

In 2012, Belo Horizonte's GDP per capita was \$17,239, placing it seventh among the 13 Brazilian metro areas. Its short-term GDP per capita growth rate of 0.3 percent is slightly less than the Brazilian average growth of 0.5 percent.

The service sector drives the Belo Horizonte economy. Slightly over three-quarters of workers in Belo Horizonte are employed in the five largest sectors—public services, distribution and retail, manufacturing, business services, and construction. Based on 2012 Gross Value Added (GVA), the metropolitan area specializes in utilities, which accounts for 6 percent of its economy compared to 4 percent nationally. The metropolitan area has experienced tremendous growth in its service sectors since 1990, especially information services. Belo Horizonte serves as the headquarters and major employment centers for successful Brazilian and multinational corporations, like Google, O-I glass and bottles, Biommm technology, and multiple automotive manufacturing firms. The metropolitan area has also become an attractive business tourism destination for hosting conferences and integrating with regional universities.

Over the last five years, Belo Horizonte is responsible for \$35 billion in exports. Approximately one-third of all Belo Horizonte exports are sent to China, whereas 7 percent are sent to the United States. A majority of exports are extraction based, including ores (41 percent), precious stones (11 percent), iron and steel (8 percent), reflecting the historical economic base of the state of Minas Gerais ("General Mines"). Vehicles and parts are also a large source of exports (15 percent). Products exported to the United States reflect these patterns.