

# Latam Daily Flash

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## Economic Analysis

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*Data released at the end of the last week showed that economic activity rebounded in both Peru and Brazil in January. This supports our view that growth will remain above 6.0% over the year in the former and reinforces the outlook of a recovery in the latter. Today we expect national accounts data to reveal that the Chilean economy was still robust at the end of the last year and, therefore, that GDP grew 5.6% in 2012e.*

## Peru – GDP growth rebounded in January

GDP grew 6.5% YoY in January (BBVA: 6.5% and consensus: 6.3%), due to the renewed momentum of construction, which added to the good progress made by other sectors strongly linked to domestic demand, such as services and trade. Activity indicators to date suggest that GDP will continue to expand at a good pace, and that in the first quarter growth will be c.6% YoY (see our [Peru Flash](#)).

## Brazil – Robust economic growth in January

The BCB's Economic Activity Index (IBC-Br) revealed that economic activity expanded by 1.3% MoM in January. This expansion was significantly better than the 2012 monthly average (0.04% MoM) and, in fact, is the best since June 2008. Although preliminary data indicate that economic activity moderated in February, the growth figures released on Friday suggest that the economic recovery is gaining momentum and this adds an upward bias to our current GDP forecasts for 1Q13e (1.0% QoQ).

## What to watch today

### Chile – Quarterly National Accounts (4Q12, 07:30 NYT)

We expect GDP growth to reach 5.6% YoY in 4Q12e, or annual growth of 5.6% in FY12e. In addition, the current account deficit should reach USD2,330mn in 4Q12e, taking the total deficit for FY12e to USD8,700mn (3.3% of GDP).

### Colombia – Imports and trade balance (January, 17:00 NYT)

January imports (BBVAe: +12% YoY) should reveal better private consumption performance and lower expenditure on capital goods in 1Q13, in line with our expectations. Meanwhile, we expect the balance of trade to decelerate to zero in January (vs. USD 677.3mn in December), due to sluggish fuel exports.

## Calendar: Indicators

Brazil	Date	Period	Consensus	BBVAe	Actual	Prior
CAGED Formal Job Creation	15-21 MAR	Feb	95295	--	--	28900
FGV CPI IPC-S	18-Mar	2-Mar	0.63%	--	--	0.52%
FIPE CPI - Weekly	19-Mar	2-Mar	--	--	--	0.06%
FGV Preview Inflation IGP-M	19-Mar	2-Mar	--	--	--	0.15%
IPCA-15	22-Mar	Mar	0.44%	0.45%	--	0.68%
Current Account - US\$ million	22-Mar	Feb	-\$4250M	--	--	-\$8400
<b>Chile</b>						
GDP (YoY)	18-Mar	4Q	5.60%	5.60%	--	5.70%
Current Account	18-Mar	4Q	-2500.0	-2.330.0	--	-4783.0
<b>Colombia</b>						
Outstanding Loans (YoY)	14-20 MAR	Jan	--	--	--	15.23%
Trade Balance	18-Mar	Jan	--	\$0.00	--	\$677.3
Imports CIF - US\$ million	18-Mar	Jan	--	\$4.955.00	--	\$4480.3
GDP (YoY)	21-Mar	4Q	2.9%	3.00%	--	2.1%
Overnight policy rate	22-Mar	Mar	3.50%	3.75%	--	3.75%
Retail sales	22-Mar	Jan	2.50%	3.80%	--	3.30%
Industrial production	22-Mar	Jan	0.20%	0.60%	--	-3.00%
<b>Mexico</b>						
Aggregate Supply & Demand	19-Mar	4Q	2.90%	--	--	2.6%
Retail Sales (INEGI)	21-Mar	Jan	1.80%	1.00%	--	-1.80%
Unemployment rate	22-Mar	Feb	5.40%	--	--	5.42%
Bi-weekly CPI	22-Mar	1-15 Mar	0.31%	0.30%	--	0.11%
Bi-weekly Core	22-Mar	1-15 Mar	0.19%	0.23%	--	0.07%
Central Bank Monetary Policy Minutes	22-Mar	--	--	--	--	--
<b>Peru</b>						
Central Bank Quarterly Inflation Report	22-Mar	--	--	--	--	--

## Most recent Latam reports

Date	Description
14-3-2013	<a href="#">➤ Flash Chile: Central Bans keeps interest rate and shows some concern</a>
14-3-2013	<a href="#">➤ Brazil Flash: A Cautious COPOM</a>
12-3-2013	<a href="#">➤ Mexico Real Estate Flash: Construction activity remains flat</a>
12-3-2013	<a href="#">➤ Mexico Flash: Industrial production rebounded in January, 1.1% m/m, positively highlights the construction industry</a>
8-3-2013	<a href="#">➤ Mexico: Banxico Watch: Banxico Delivers</a>
8-3-2013	<a href="#">➤ Chile Flash: Monthly inflation stood at 0.1% in February, below expectations</a>
8-3-2013	<a href="#">➤ Brazil Flash: February inflation pushes central bank up against the wall</a>
7-3-2013	<a href="#">➤ Mexico Real Estate Flash: The construction guarantee program: Is this what is needed?</a>
7-3-2013	<a href="#">➤ Mexico Real Estate Flash: Construction output down a notch</a>
7-3-2013	<a href="#">➤ Flash Peru: Central policy rate: no surprises</a>

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