

Latam Daily Flash

21 March 2013
Economic Analysis

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Yesterday was a quiet day in Latam, except for the announcement of countercyclical measures in Colombia, to be detailed shortly. Today all eyes will be on Colombian GDP, expected to reveal 3.0% YoY growth for 4Q12, on an upward trend from 3Q12. Meanwhile, January retail sales are expected to recover in Mexico.

Colombia - Minister of Finance will announce countercyclical measures in the next few days

Minister Cardenas announced that stimulus measures being prepared by the government would be approved before Easter. These measures are likely to be directed at the industrial and agricultural sectors, focusing on reducing regulated costs (e.g. energy), although we do not have any details yet.

What to watch today

Colombia - GDP (4Q12, 12:00 hrs NYT)

We expect GDP growth of 3.0% YoY in 4Q12e (vs. 2.1% in 3Q12) and 3.7% for FY12e. Our expectation is supported by recent data (civil works and buildings census) and should confirm our outlook that the economy bottomed-out in 3Q12e.

Mexico - Retail sales (January, 10:00 hrs NYT)

December's retail sales saw their steepest fall since 2001 (-3.1% YoY), which could be partially explained by a change of seasonality. We estimate a recovery in January in line with the encouraging expansion in services.

Calendar: Indicators

Brazil	Date	Period	Consensus	BBVAe	Actual	Prior
CAGED Formal Job Creation	20-Mar	Feb	95148	--	123446	28900
FGV CPI IPC-S	18-Mar	3-Mar	0.63%	--	0.63%	0.52%
FIPE CPI - Weekly	19-Mar	3-Mar	0.03%	--	-0.11%	0.06%
FGV Preview Inflation IGP-M	19-Mar	3-Mar	0.25%	--	0.24%	0.15%
IPCA-15	23-Mar	Mar	0.44%	0.45%	--	0.0068
Current Account - US\$ million	23-Mar	Feb	-\$4250M	--	--	-8400
Chile						
GDP (Annual Growth Rate)	18-Mar	5-Jul	5.60%	--	5.60%	5.99%
GDP (YoY)	18-Mar	4Q	5.60%	5.60%	5.70%	5.70%
Current Account	18-Mar	4Q	-2500.0	-2,330.0	-2880	-4783.0
Colombia						
Outstanding Loans (YoY)	18-Mar	Jan	--	--	15.39%	15.23%
Trade Balance	18-Mar	Jan	\$465.5	--	-\$213.3	\$677.3
Imports CIF - US\$ million	18-Mar	Jan	--	\$4,955	\$5200.9	\$4480.3
GDP (YoY)	21-Mar	4Q	3.00%	3.00%	--	2.1%
Overnight policy rate	23-Mar	Mar	3.50%	3.75%	--	3.75%
Retail sales	23-Mar	Jan	2.50%	3.80%	--	3.30%
Industrial production	23-Mar	Jan	0.20%	0.60%	--	-3.00%
Mexico						
Aggregate Supply & Demand	19-Mar	4Q	2.90%	--	3.60%	2.6%
Retail Sales (INEGI)	21-Mar	Jan	1.60%	--	--	-1.80%
Unemployment rate	23-Mar	Feb	5.27%	--	--	5.42%
Bi-weekly CPI	23-Mar	1-15 Mar	0.28%	0.28%	--	0.11%
Bi-weekly Core	23-Mar	1-15 Mar	0.17%	0.16%	--	0.07%
Central Bank Monetary Policy Minutes	23-Mar	--	--	--	--	--
Peru						
Central Bank Quarterly Inflation Report	23-Mar	--	--	--	--	--

Most recent Latam reports

Date	Description
20-3-2013	➤ Mexico GDP Flash: 4Q12 GDP: growth based on the good performance of the private consumer expenditures, as opposed to investment
18-3-2013	➤ Chile Flash: Domestic demand remains dynamic in line with current account worsening
15-3-2013	➤ Flash Peru: GDP Growth rebounded in January
14-3-2013	➤ Flash Chile: Central Bank keeps interest rate and shows some concern
14-3-2013	➤ Brazil Flash: A Cautious COPOM
12-3-2013	➤ Mexico Real Estate Flash: Construction activity remains flat
12-3-2013	➤ Mexico Flash. Industrial production rebounded in January, 1.1% m/m, positively highlights the construction industry
8-3-2013	➤ Mexico. Banxico Watch: Banxico Delivers
8-3-2013	➤ Chile Flash: Monthly inflation stood at 0.1% in February, below expectations
8-3-2013	➤ Brazil Flash: February inflation pushes central bank up against the wall

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