

# Latam Daily Flash

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**Economic Analysis**

*Madrid*  
**Juan Ruiz**  
Chief Economist, South America  
juan.ruiz@bbva.com  
+34 913745887

**Enestor dos Santos**  
Senior Economist, Latam  
enestor.dossantos@bbva.com  
+34 639827211

*Mexico City*  
**Octavio Gutierrez-Engelmann**  
Macro Latam Strategy  
o.gutierrez3@bbva.com  
+5255 5621 9245

With contributions from the BBVA  
Research Latam Team:

*Lima*  
**Hugo Perea**  
Chief Economist, Peru  
hugo.perea@bbva.com  
+51 1 2112042

*Bogota*  
**Juana Tellez**  
Chief Economist, Colombia  
juana.tellez@bbva.com  
+571 3471600

*Santiago*  
**Alejandro Puente**  
Chief Economist, Chile  
alejandrp.puente@bbva.com  
+56 2 2939 10 92

*Mexico City*  
**Carlos Serrano**  
Chief Economist, Mexico  
carlos.serrano@bbva.com  
+ 5255 5621 4354

*Yesterday was a quiet start to the week in Latin America. The highlights were the slight contraction in retail sales in Mexico, which adds to evidence the economy lost momentum in 1Q13, and the contraction in auto sales in Colombia. Today we expect no major indicators to be released.*

## Mexico - Retail sales show private consumption is losing momentum

February retail sales decreased 0.1% MoM sa, a print much weaker than we expected (BBVAe: +0.3% MoM). Due to the negative impact of the Leap Year in 2012, retail sales decreased 2.6% YoY. The retail sales report confirms the soft-patch in economic activity during the first quarter of the year. Private consumption is losing momentum, which is not surprising given that formal private job-creation has been growing more slowly than expected in recent months.

## Colombia - Vehicle sales fell 22.9% YoY in March

The strong contraction in annual terms is partly explained by significant base effects. However, the 2.7% MoM sa drop suggests that there is a sharper deceleration in the automotive sector compared to other consumer groups. In fact, in line with our expectations, the recovery in private consumption will be limited by lower vehicle sales, although to a limited extent as they represent less than 2% of total household expenditure.

## What to watch today

### No major indicators expected today

## Calendar: Indicators

<b>Brazil</b>	<b>Date</b>	<b>Period</b>	<b>Consensus</b>	<b>BBVAe</b>	<b>Actual</b>	<b>Prior</b>
FIPE CPI - Weekly	24-Apr	Apr 22	0.17%	--	--	0.08%
FGV Consumer Confidence	24-Apr	Apr	112.00	--	--	113.9
FGV CPI IPC-S	24-Apr	Apr 23	0.60%	--	--	0.65%
Current Account - Monthly	24-Apr	Mar	-\$6300M	--	--	-\$6625M
FGV Construction Costs (MoM)	25-Apr	Apr	0.76%	--	--	0.28%
COPOM Monetary Policy Meeting Minutes	25-Apr	Apr	--	--	--	--
Unemployment Rate	25-Apr	Mar	5.9%	5.9%	--	5.6%
Manufacturing PPI (YoY)	26-Apr	Mar	--	--	--	7.73%
Outstanding Loans MoM%	26-Apr	Mar	--	--	--	0.7%
<b>Chile</b>						
Central Bank's Traders Survey	24-Apr	Apr	--	--	--	--
Central Bank Meeting Minutes	26-Apr	Apr	--	--	--	--
<b>Colombia</b>						
Overnight Lending Rate	26-Apr	Apr 26	3.25%	3.25%	--	3.25%
<b>Mexico</b>						
Retail Sales (INEGI)	22-Apr	Feb	0.5%	1.1%	-2.60%	1.8%
Bi-Weekly CPI	24-Apr	Apr 15	-0.1%	--	--	0.31%
Bi-Weekly Core CPI	24-Apr	Apr 15	0.06%	--	--	0.02%
Global Economic Indicator IGAE	25-Apr	Feb	0.75%	2.00%	--	3.24%
Trade Balance	26-Apr	Mar	391M	--	--	46.1M
Overnight Rate	26-Apr	Apr 26	4.00%	4.00%	--	4.00%

## Most recent Latam reports

<b>Date</b>	<b>Description</b>
22-04-2013	<a href="#">➤ Mexico Economic Watch: Room for accumulating reserves in view of the strength of the exchange rate</a>
22-04-2013	<a href="#">➤ Mexico Real Estate Flash: Let's not lose sight of the forest...</a>
18-04-2013	<a href="#">➤ Brazil Flash: Monetary conditions are tightened to prevent inflation from running out of control</a>
16-04-2013	<a href="#">➤ Mexico Real Estate Flash: A helping hand for the housing industry</a>
11-04-2013	<a href="#">➤ Peru Flash: Output kept expanding at a strong pace in February</a>
11-04-2013	<a href="#">➤ Mexico Real Estate Flash: Construction activity a step back</a>
11-04-2013	<a href="#">➤ Flash Chile: Central Bank keeps interest rate at 5% and its neutral tone</a>
11-04-2013	<a href="#">➤ Flash Peru: No surprises in April monetary policy meeting</a>
10-04-2013	<a href="#">➤ Brazil Flash: Inflation breaches target ceiling in March</a>
10-04-2013	<a href="#">➤ Mexico Real Estate Flash: New drop in construction production</a>

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