

Latam Daily Flash

14 May 2013 Economic Analysis

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The main highlight at this quiet beginning to the week was the release of data in Peru confirming that public spending continued to expand very robustly in April, supporting our forecast of 6.5% growth this year.

Peru - Public spending accelerated at the beginning of 2Q13

The preliminary figure for April released by the Ministry of Finance shows that real public investment and consumption grew 53% and 24% YoY respectively (vs. 14% and 10% YoY average in 1Q13 respectively). This supports the view that public spending will continue to expand in double-digits this year, partially offsetting the weakness in exports, and reinforcing our 6.5% forecast of 2013e GDP.

What to watch today

No major indicators expected today

Calendar: Indicators

Brazil	Date	Period	Consensus	BBVAe	Actual	Prior
Economic Activity Indx MoM SA	14-15 May	Mar	0,65%	0.80%	--	-0.52%
CAGED Formal Job Creation	14-21 May	Apr	210000	--	--	112450
Retail Sales (MoM)	15-May	Mar	-0,5%	0%	--	-0.4%
FGV Inflation IGP-10 (MoM)	16-May	May	-0,05%	--	--	0.18%
FGV CPI IPC-S	16-May	2-May	0,39%	--	--	0.45%
FIPE CPI - Weekly	17-May	2-May	0,32%	--	--	0.31%
Chile						
Nominal Overnight Rate Target	17-May	2-May	5.00%	5.00%	--	5.00%
Colombia						
Consumer Confidence	14-17 May	Apr	14.5	18	--	--
Outstanding Loans (YoY)	14-21 May	Mar	--	--	--	--
Retail Sales (YoY)	17-May	Mar	-0.05%	0.90%	--	0.6%
Industrial Production (YoY)	17-May	Mar	-2.5%	-5.90%	--	-4.5%
Mexico						
ANTAD Same-Store Sales (YoY%)	15-May	Apr	3%	--	--	5.9%
GDP (YoY)	17-May	1Q	1,1%	2.20%	--	3.2%
Global Economic Indicator IGAE	17-May	Mar	-0,7	2.30%	--	0.39%
Peru						
Unemployment	15-May	Apr	6,1%	--	--	6.4%
Economic Activity Indx YoY NSA	15-May	Mar	4,65%	4.20%	--	5.0%

Most recent Latam reports

Date	Description
9-05-2103	➤ Mexico Flash: April's inflation: Headline Inflation Peaks as Core Inflation Falls Again Below 3%
9-05-2103	➤ Peru Flash: The Central Bank keeps a neutral bias for the policy rate
9-05-2103	➤ Chile Economic Outlook (in Spanish) - Second quarter, 2013
9-05-2103	➤ Peru Economic Outlook (in Spanish) - Second quarter, 2013
9-05-2103	➤ Colombia Economic Outlook (in Spanish) - Second quarter, 2013
8-05-2103	➤ Brazil Flash: In spite of an upward surprise in April, inflation is (temporarily) back to within the target range
8-05-2103	➤ Flash Chile: Monthly inflation reached -0.5% in April, well below both our and market expectations
8-05-2103	➤ Banxico Flash: Despite supply shocks and recent moderation of economic activity, Banxico keeps unchanged its inflation and economic growth forecasts
7-05-2103	➤ MexicoReal Estate Flash: Second month of the year, second decline in construction
6-05-2103	➤ Mexico Banking Flash: Lending to private sector: double-digit growth persists

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