

# Latam Daily Flash

## 19 June 2013 Economic Analysis

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*A quiet day yesterday, with just import growth in Colombia hinting at a recovery in consumption and investment in 2Q13. Today the focus will be on the components of GDP in Mexico, to check for continued strength in consumption and how weak foreign demand continues to be.*

## Colombia - Imports support recovery in private consumption and non-residential investment in 2Q13

Imports grew 16.5% YoY in April, above the March numbers (-10.3% YoY). A recovery in durable (+11.3% YoY) and non-durable (+22.1% YoY) consumption goods explained most of the rebound. Moreover, after two months of decline, purchases of industrial capital goods rose 19.6% YoY. Meanwhile, the balance of trade stood at USD37mn. In terms of the cumulative value to April 2012, this year the trade surplus fell USD2,338mn due to lower commodity prices and the supply shock in 1Q13. The data confirm a recovery in economic activity in the second quarter and a marginal deterioration in the current account compared to 2012.

## What to watch today

### Mexico - Aggregate supply and demand (1Q13, 9:00hrs NYT)

GDP details will be relevant for assessing the level of moderation in the components of domestic demand. In recent months, private consumption has performed particularly well, influenced by the steady increase in jobs and the maintenance of real wages. At the same time, investment should have continued to perform slightly better than in the last quarter of the year (-0.5% QoQ), supported mainly by the growth in the private component of investment. The rate of growth of foreign demand has moderated lately and we do not rule out a negative contribution from net exports.

## Calendar: Indicators

<b>Brazil</b>	<b>Date</b>	<b>Period</b>	<b>Consensus</b>	<b>BBVAe</b>	<b>Actual</b>	<b>Prior</b>
CAGED Formal Job Creation	18-21 Jun	May	155000	--	--	196913
Tax Collections	18-22 Jun	May	86024.5M	--	--	98713M
FGV CPI IPC-S	17 Jun	2-Jun	0.46%	--	0.43%	0.48%
FIPE CPI - Weekly	18 Jun	2-Jun	0.18%	--	0.18%	0.13%
IGP-M Inflation 2nd Preview	18 Jun	Jun	0.65%	--	0.74%	0.01%
Unemployment Rate	20 Jun	May	5.8%	5.8%	--	5.8%
IBGE CPI IPCA-15 (MoM)	21 Jun	Jun	0.37%	0.36%	--	0.46%
Current Account - Monthly	21 Jun	May	-\$6400M	--	--	-\$8318M
<b>Colombia</b>						
Outstanding Loans	18-21 Jun	Apr	--	--	--	\$253.0B
Imports	18-Jun	Apr	--	\$5167M	\$5167M	\$4488M
Trade Balance	18 Jun	Apr	\$129M	\$37M	\$36.8M	\$285.7M
GDP (YoY)	20 Jun	1Q	2.8%	2.3%	--	3.1%
Retail Sales (YoY)	21 Jun	Apr	3.3%	0.2%	--	0.9%
Industrial Production (YoY)	21-Jun	Apr	1.6%	6.4%	--	-11.5%
<b>Mexico</b>						
Aggregate Supply & Demand	19 Jun	1Q	1%	2.8%	--	3.6%
Retail Sales (INEGI)	20 Jun	Apr	1.2%	-0.1%	--	-2.4%
Central Bank Monetary Policy Minutes	21 Jun	--	--	--	--	--
<b>Peru</b>						
Central Bank Quarterly Inflation Report	21 Jun	--	--	--	--	--

## Most recent Latam reports

<b>Date</b>	<b>Description</b>
17-06-2013	<a href="#">➤ Brazil Flash: Government takes steps toward the normalization of economic policies</a>
14-06-2013	<a href="#">➤ Flash Peru: April GDP and available indicators anticipate strong performance in the second quarter</a>
13-06-2013	<a href="#">➤ Flash Peru: Unsurprisingly, the policy rate remains at 4,25%</a>
11-06-2013	<a href="#">➤ Mexico Real Estate Flash: Some oxygen for the construction sector</a>
11-06-2013	<a href="#">➤ Flash Colombia: It was confirmed the leadership of infrastructure in GDP growth in 2013</a>
10-06-2013	<a href="#">➤ Mexico Real Estate Flash: Construction in energy, ahead on its own</a>
10-06-2013	<a href="#">➤ Mexico Flash: Industrial production, with sharp drop in April. Confirms and amplifies the negative trend</a>
7-06-2013	<a href="#">➤ Brazil Flash: Inflation: stable around the target ceiling for now, but moving up soon</a>
7-06-2013	<a href="#">➤ Flash Chile: CPI had no variation in May but it may increase 0.5% MoM in June</a>
7-06-2013	<a href="#">➤ Mexico Inflation Flash: Inflation in May: Supply Shocks Within Non Core Inflation Prevents Headline Inflation from Falling</a>

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