

Latam Daily Flash

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Economic Analysis

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Peru's GDP grew 5% YoY in May, reflecting the slowdown in manufacturing and primary sectors. Meanwhile, in Chile, consumer confidence declined in June, but remains in the optimistic range and should continue to support consumption. Today will be a quiet day in Latam, with no major indicators expected to be released.

Peru - GDP slowed in May

GDP grew 5.0% YoY in May, in line with our estimate, but less than expected by the market (BBVAe: 5.1%, consensus: 5.5%). The month's results reflected the slowdown in the manufacturing and primary sectors, while the performance of the sectors most closely linked to domestic demand (construction, trade and services) remained solid. Going forward, the available indicators anticipate a slowdown in private spending, especially investment, while public spending should maintain its momentum (see our [Peru Flash](#)).

Chile - Consumer confidence declined in June but remains optimistic

The consumer confidence index declined from 55.2 points in May to 53.0 points in June, although remaining in the optimistic range. The decline was due to a lower assessment in almost all categories (except for expectations about personal situations), mainly as a reflection of higher inflation, lower activity data and a decline in copper prices. All in all, in our view the confidence figures should still support growth in consumption in the coming months, but at a slower pace.

What to watch today

No major indicators expected today

Calendar: Indicators

Brazil	Date	Period	Consensus	BBVAe	Actual	Prior
Tax Collections	16-22 Jul	Jun	--	--	--	87858M
CAGED Formal Job Creation	16-21 Jul	Jun	100000	--	--	72028
FGV Inflation IGP-10 (MoM)	16 Jul	Jul	0.60%	--	--	0.63%
FGV CPI IPC-S	16 Jul	2-Jul	0.13%	--	--	0.23%
IGP-M Inflation 2nd Preview	18 Jul	Jul	0.32%	--	--	0.74%
COPOM Monetary Policy Meeting Minutes	18 Jul	--	--	--	--	--
IBGE CPI IPCA-15 (MoM)	19 Jul	Jul	0.13%	0.22%	--	0.38%
Colombia						
Outstanding Loans	16-19 Jul	May	--	--	--	\$256.1B
Trade Balance	17 Jul	May	--	\$522	--	\$36.8
Retail Sales (YoY)	19 Jul	May	3.50%	3.6%	--	5.70%
Industrial Production (YoY)	19 Jul	May	-1.90%	-2.5%	--	8.40%
Mexico						
ANTAD Same-Store Sales (YoY%)	15 Jul	Jun	--	--	1.6%	-0.30%
Unemployment Rate	18 Jul	Jun	4.97%	--	--	4.93%
Peru						
Unemployment	15 Jul	Jun	--	--	5.8%	5.70%
Economic Activity Indx YoY NSA	15 Jul	May	5.55%	5.1%	4.96%	7.70%

Most recent Latam reports

Date	Description
15-07-2013	➤ Flash Peru: GDP slowed in May
15-07-2013	➤ Mexico Flash: Industrial production rebounded in May, partially offsetting the sharp decline in April. The trend remains of moderation.
12-07-2013	➤ Mexico Flash: In spite of a greater concern on domestic activity and a better inflation outlook, a rate cut seems to depend on a greater impairment of economic activity
11-07-2013	➤ Peru Flash: Central Bank somewhat more dovish
11-07-2013	➤ Chile Flash: CB kept the monetary policy rate at 5%, but explicitly delivered a dovish tone
11-07-2013	➤ Mexico Flash: Banxico: Fondo rate at 4.0%. A dovish tone is expected as domestic activity impairs
11-07-2013	➤ Flash Brazil: The monetary tightening continues, at an unchanged pace
09-07-2013	➤ Mexico Inflation Flash: June's inflation: Inflation Approaches 4% Due To Lower Fruit And Vegetable Prices And Falling Core Inflation
08-07-2013	➤ Inflation jumped to 2.16% YoY in June, consolidating within the inflation target range
08-07-2013	➤ CPI inflation for June 0,6% m/m, in line with our forecast, and impacted by transitory elements

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