

Latam Daily Flash

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Economic Analysis

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Negative surprise in Mexican retail sales in August; ANTAD index with a more timely figure do not points better behaviour.

Mexico - Retail sales point to continued weakness

Retail sales were much weaker than expected in August, falling 1.4% MoM sa (well below our -0.2% MoM sa forecast). In annual terms, retail sales fell 2.2% YoY, much more than our already below-consensus expectation (BBVAe: -0.2%, consensus: 1.2%). The weakness was broad-based with a monthly contraction in seven out of the eight components. An improvement in September to close the third quarter on a better note appears unlikely given that ANTAD same store sales decreased 1.6% MoM sa and car sales contracted sharply (-8.2% MoM sa) in September.

What to watch today

Colombia - Imports and trade balance (August, 17:00hrs NYT)

Imports in August should have fallen 9.0% YoY in August, reflecting the slowdown in the manufacturing sector and lower internal purchases of raw materials and capital goods for industry. As a result, the balance of trade should post a surplus of USD439mn.

Calendar: Indicators

Brazil	Date	Period	Consensus	BBVAe	Actual	Prior
FGV Consumer Confidence	23 Oct	Oct	--	--	--	114.2
FGV CPI IPC-S	23 Oct	2-Oct	0.50%	--	--	0.45%
Unemployment Rate	24 Oct	Sep	5.40%	5.20%	--	5.30%
FIPE CPI - Weekly	25 Oct	2-Oct	0.44%	--	--	0.37%
Current Account Balance	25 Oct	Sep	-\$2300M	--	--	-\$5505M
Chile						
Central Bank's Traders Survey	23 Oct	--	--	--	--	--
Colombia						
Trade Balance	22 Oct	Aug	\$156.1	\$439.3	--	-\$221.0
Industrial Confidence	24 Oct	Sep	--	0	--	-1.8
Retail Confidence	24 Oct	Sep	--	16.2	--	12
Overnight Lending Rate	25 Oct	2-Oct	3.25%	3.25%	--	3.25%
Mexico						
Retail Sales YoY	21 Oct	Aug	1.20%	--	-2.20%	1.30%
Economic Activity IGAE YoY	24 Oct	Aug	1.10%	--	--	1.69%
Bi-Weekly CPI	24 Oct	2-Oct	0.34%	--	--	0.01%
Trade Balance	25 Oct	Sep P	-256.6M	--	--	-234.2M
Overnight Rate	25 Oct	2-Oct	3.50%	--	--	3.75%

Most recent Latam reports

Date	Description
17-10-2013	> Flash Chile: Central Bank cut the MPR by 25 bp contrary to consensus, but in line with our baseline
17-10-2013	> Brazil Flash: COPOM: still no sign of the end of the ongoing tightening cycle ³
15-10-2013	> Peru Flash: August's GDP in line with market expectations
14-10-2013	> Flash Chile: We forecast October's CPI yet at -0.1%, but towards 0%
11-10-2013	> Flash Chile: We forecast Retails Sales in 7.5% YoY in September
10-10-2013	> Flash Peru: Unchanged monetary policy stance
10-10-2013	> Brazil Flash: COPOM: no surprises; no hints
09-10-2013	> Mexico Inflation Flash: September's inflation: came in lower than our below-consensus expectation
09-10-2013	> Brazil Flash: Inflation drops below 6% for the first time this year
08-10-2013	> Chile Flash: CPI in September at 0.5% in line BBVA's forecast

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