

# Latam Daily Flash

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Economic Analysis

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Also, the minutes from the last monetary policy meeting in Colombia should confirm that output gap is gradually closing and the COP is better aligned with fundamentals.

No relevant indicators were released yesterday

## What to watch today

### Colombia - Central bank's (BanRep) minutes

The minutes could shed some light on the board's evaluation of the impact of JP Morgan's announced weighting increase for Colombia's local bonds in two of its bond indexes (GBI EM Global and GBI EM Global Diversified). Limited concern about year-to-date COP depreciation could be expressed, as well as on the partial correction after JP Morgan's announcement. It will be interesting to see if there is any concern about pass-through of COP depreciation onto total inflation and the board's perception of GDP growth during 1Q14, as some data showed mixed signals (i.e. consumer confidence). All in all, the output gap should have continued to gradually close, COP to be better aligned with fundamentals and inflation to represent no concern.

### Colombia - Inflation (March, to be released on Saturday 13:00 hrs NYT)

We are expecting a variation of 0.16% MoM (Consensus: 0.30% MoM). Given this rate, core inflation will keep growing smoothly towards Banrep's midpoint of 3.0% (YoY).

## Calendar: Indicators

	Date	Period	Consensus	BBVAe	Actual	Prior
<b>Brazil</b>						
CNI Consumer Confidence	31 Mar	Mar	--	--	108.8	108.8
FGV CPI IPC-S	1 Apr	Mar	0.81%	--	0.85%	0.83%
PPI Manufacturing MoM	1 Apr	Feb	--	--	0.51%	1.43%
Trade Balance Monthly	1 Apr	Mar	\$100M	--	\$112M	-\$2125M
FIPE CPI - Monthly	2 Apr	Mar	0.78%	--	0.74%	0.52%
Industrial Production MoM	2 Apr	Feb	0.45%	0.5%	0.4%	3.8%
Selic Rate	2 Apr	--	11.00%	11.00%	11.00%	10.75%
Vehicle Production Anfavea	4 Apr	Mar	--	--	--	281452
<b>Chile</b>						
Manufacturing Index YoY	31 Mar	Feb	-0.50%	-1.5%	-1.97%	-1.44%
Unemployment Rate	31 Mar	Feb	6.3%	6.3%	6.1%	6.1%
Retail Sales YoY	31 Mar	Feb	5.4%	0.9%	5.3%	6.8%
<b>Colombia</b>						
Urban Unemployment Rate	31 Mar	Feb	11.5%	11.5%	11.2%	12.3%
Budget Balance	2 Apr	Feb	--	--	-\$2703B	\$6926B
Colombia Monetary Policy Minutes	4 Apr	--	--	--	--	--
CPI MoM	5 Apr	Mar	0.32%	0.16%	--	0.63%
<b>Mexico</b>						
Remittances Total	1 Apr	Feb	1709.6M	1662M	1677.3M	1578.3M
IMEF Manufacturing Index SA	1 Apr	Mar	51.3	--	52.7	50.8
Consumer Confidence Index	3 Apr	Mar	85.5	85.6	88.8	84.5
Central Bank Monetary Policy Minutes	4 Apr	--	--	--	--	--
<b>Peru</b>						
CPI MoM	1 Apr	Mar	0.53%	0.5%	0.52%	0.60%

## Most recent Latam reports

Date	Description
03-04-2014	<a href="#">➤ Uruguay Flash: Slight slowdown in inflation due to recent measures (in Spanish)</a>
03-04-2014	<a href="#">➤ Mexico Banking Flash: Credit to non-financial private sector grows 8.7% YoY in February (in Spanish)</a>
1-04-2014	<a href="#">➤ Uruguay Flash: 2013 finished with good growth but high external deficit (in Spanish)</a>
1-04-2014	<a href="#">➤ Peru Flash: Annual inflation was lower in March but remained outside the range</a>
1-04-2014	<a href="#">➤ Mexico Migration Flash: Remittances stay on growth path: increased 5.7% in February</a>
31-03-2014	<a href="#">➤ Chile Flash: Activity data by sector anticipates Imacec at 2.4% YoY in February</a>
31-03-2014	<a href="#">➤ Chile Flash: As expected, once again Central Bank reduced forecast growth range for 2014</a>
31-03-2014	<a href="#">➤ Chile Flash: Public expenditure grows 6.1% YoY in February and execution in the first two months of 2014 is the largest of the last four years (in Spanish)</a>
27-03-2014	<a href="#">➤ Mexico Real Estate Flash: Banks' mortgages start 2014 with a growth of 9.7% (in Spanish)</a>
26-03-2014	<a href="#">➤ EAGLEs Economic Outlook: Annual Report 2014</a>

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