

Latam Daily Flash

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Economic Analysis

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Today's survey of financial traders in Chile should confirm expectations of additional monetary stimulus in a three-month horizon.

No relevant indicators were published yesterday

What to watch today

Brazil - Monetary policy decision (time unspecified)

We expect the Central Bank of Brazil to announce that the Selic rate will be left unchanged at 11.0%, bringing the current tightening cycle to an end. With the Selic rate at 11.0%, we believe the monetary authority will take some months to assess the impact of the recent tightening (+375bp) on inflation.

Chile - Central bank financial traders survey (2nd fortnight in May, 08:30hrs NYT)

The survey should reveal inflation estimates at around +0.3% MoM for May and expectations of further monetary stimulus in a three-month horizon. This is in a context where long-term inflation expectations remain anchored to the central bank's 3% target. Finally, we also anticipate an exchange-rate forecast in the order of USDCLP 565 in a three-month horizon.

Calendar: Indicators

Brazil	Date	Period	Consensus	BBVAe	Actual	Prior
Tax Collections	26 May	Apr	105400M	--	105884M	86621M
FIPE CPI - Weekly	27 May	May	0.40%	--	0.36%	0.42%
FGV Construction Costs MoM	27 May	May	1.39%	--	1.37%	0.67%
Serasa Business Credit Delinquencies	27 May	--	--	--	--	--
Federal Debt Total	27 May	Apr	--	--	2053B	2081B
PPI Manufacturing MoM	28 May	Apr	--	--	--	-0.22%
Selic Rate	28 May	May	11.00%	11.00%	--	11.00%
FGV Inflation IGPM MoM	29 May	May	-0.01%	--	--	0.78%
Outstanding Loans MoM	29 May	Apr	--	--	--	1.0%
Total Outstanding Loans	29 May	Apr	--	--	--	2760B
CNI Consumer Confidence	29 May	May	--	--	--	108.7
GDP QoQ	30 May	1Q	0.2%	0.5%	--	0.7%
Primary Budget Balance	30 May	Apr	16,2B	--	--	3.6B
Chile						
Central Bank's Traders Survey	28 May	May	--	--	--	--
Manufacturing Index YoY	30 May	Apr	--	-3.1%	--	0.8%
Unemployment Rate	30 May	Apr	6.7%	6.7%	--	6.5%
Copper Production Total	30 May	Apr	--	481418	--	485614
Retail Sales YoY	30 May	Apr	--	3.0%	--	5.2%
Colombia						
Vehicle Sales	28 May	Apr	--	--	--	26418
National Unemployment Rate	30 May	Apr	--	--	--	9.7%
Overnight Lending Rate	30 May	May	3.75%	3.50%	--	3.50%
Budget Balance	30 May	Apr	--	--	--	-\$3048B
Mexico						
Trade Balance	26 May	Apr	-433.0M	-877.0M	509.6M	1026.6M
Budget Balance YTD	30 May	Apr	--	--	--	-61.9B
Peru						
GDP YoY	26 May	1Q	4.8%	4.8%	4.8%	5.2%
Peru to rebase GDP Indicators	26 May	--	--	--	--	--
CPI MoM	1 Jun	May	--	--	--	0.39%
Wholesale Price Index MoM	1 Jun	May	--	--	--	0.06%

Most recent Latam reports

Date	Description
27-05-2014	➤ Chile Economic Outlook: Second Quarter 2014
26-05-2014	➤ Mexico GDP Flash: BBVA Bancomer revises its 2014 growth forecast downwards to 2.5% and raises its 2015 estimate to 3.5%
22-05-2014	➤ Brazil Economic Outlook: growth will be no higher than 2% in both 2014 and 2015
22-05-2014	➤ Uruguay Automobile Market Outlook 2014 (in Spanish)
22-05-2014	➤ Mexico Inflation Flash: Inflation remains under control
21-05-2014	➤ Colombia Economic Outlook: Second Quarter 2014 (in Spanish)
21-05-2014	➤ Paraguay Economic Outlook: First Half 2014 (in Spanish)
21-05-2014	➤ Financial Inclusion Economic Watch: The Financial Inclusion Law in Uruguay
20-05-2014	➤ Financial Inclusion Economic Watch: Analyzing the Uruguayan Law on Financial Inclusion (in Spanish)
19-05-2014	➤ Chile Flash: GDP grew 2.6% YoY in 1Q14 above market expectations

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