

## LatAm Daily | Peruvian GDP grew below expectations in September

Marina Conesa / Enestor Dos Santos / Hugo Perea / Cecilia Posadas / Jorge Selaive / Carlos Serrano / Juana Téllez

---

*In Peru, the GDP grew below expectations due to declines in construction and non-primary manufacturing. In Colombia, the surprising decision to raise its MPR in the last meeting by 50bp was driven by the upwards trend in inflation expectations and demand growing faster than expected. We do not rule out the possibility of another 25bp hike in November.*

### Peru - GDP in September came out lower than expected

In September, the GDP increased 3.0%, lower than expected by the market (BBVA: 3.3% and consensus: 3.2%). The GDP growth was explained mainly by the strong expansion of metal mining, especially copper production, which was offset by declines in construction and non-primary manufacturing, activities with greater links to domestic demand.

### Colombia - Central bank minutes

BanRep published the minutes from its October Board meeting. According to the report the majority of the board voted for a 50bp hike, while the rest of the members voted for 25bp increase. Amongst the drivers behind this decision is important to highlight that inflation expectations continued trending up and internal demand is growing faster than expected, maintain the pressure on the current account deficit. In our view, and given the expected dynamics of inflation, our central scenario includes an additional 25bp increase at November's meeting, taking the repo rate to 5.50%.

### What to watch today

No relevant news is expected for today.

## Calendar indicators

	Date	Period	Consensus	BBVAe	Actual	Prior
<b>Brazil</b>						
Economic Activity MoM	17-Nov	Sep	-0.60%	-0.20%		-0.76%
FGV CPI IPC-S	16-Nov	Nov	0.83%			0.78%
Central Bank Weekly Economists Survey	16-Nov					
Formal Job Creation Total	19-Nov	Oct	-178900			-95602
CNI Industrial Confidence	18-Nov	Nov				35
Unemployment Rate	19-Nov	Oct	7.60%	7.80%		7.60%
IBGE Inflation IPCA-15 MoM	19-Nov	Nov	0.83%	0.75%		0.66%
<b>Chile</b>						
GDP YoY	18-Nov	3Q15	2.10%	2.00%		1.90%
GDP QoQ	18-Nov	3Q15	0.30%	0.30%		0.00%
Current Account Balance	18-Nov	3Q15	-1650	-\$2,000		761
<b>Colombia</b>						
Industrial Production YoY	17-Nov	Sep	2.05%	3.50%		2.60%
Retail Sales YoY	18-Nov	Sep	3.20%	3.70%		5.40%
Consumer Confidence Index	18-Nov	Oct		8		4.3
Trade Balance	20-Nov	Sep	-1389.8	-\$1.259		-\$1433.6
<b>Mexico</b>						
Economic Activity IGAE YoY	20-Nov	Sep	2.60%			2.58%
GDP NSA YoY	20-Nov	3Q15	2.40%			2.20%
GDP SA QoQ	20-Nov	3Q15	0.60%	0.50%		0.50%
<b>Peru</b>						
GDP YoY	20-Nov	3Q15	2.90%	2.90%		3.00%

Source: Bloomberg and BBVA Research

## Most recent Latam reports

Date	Description
11.14.2015	<a href="#">Peru: Mining led growth, but non-primary sectors decelerated (In Spanish)</a>
11.13.2015	<a href="#">Mexico: We estimate that GDP growth in 3Q15 will have been similar to the 2Q15</a>
11.13.2015	<a href="#">Chile: Central Bank maintains MPR at 3.25% and contractionary bias (In Spanish)</a>
11.13.2015	<a href="#">Peru: Unsurprisingly, the central bank keeps once again the policy rate on hold</a>
11.11.2015	<a href="#">Mexico: Regional Sectorial Outlook Second Half 2015</a>
11.10.2015	<a href="#">Colombia: Outlook 4Q15 (In Spanish)</a>
11.10.2015	<a href="#">Chile: Outlook 4Q15 (In Spanish)</a>
11.06.2015	<a href="#">Colombia: Automotive sector, recent developments and outlook</a>
11.06.2015	<a href="#">Chile: Inflation in October surprised to the upside</a>
11.06.2015	<a href="#">Colombia: Foodstuff inflation unstoppable</a>
11.06.2015	<a href="#">Brazil: Inflation at 10%? Almost there</a>
11.05.2015	<a href="#">Chile: Imacec surprised to the upside and eases the fears of a technical recession (In Spanish)</a>
11.03.2015	<a href="#">Mexico: Credit to the private sector: grew 13.3% in September</a>
11.03.2015	<a href="#">Mexico: Remittances grow 4.8% in September, with a flow of USD2,060mn (In Spanish)</a>
11.03.2015	<a href="#">Peru: Inflation goes down in October but we expect this to be only transitory</a>
11.03.2015	<a href="#">Colombia: BanRep increased the repo rate 50bp up to 5.25%</a>

---

This document has been prepared by BBVA Research Department, it is provided for information purposes only and expresses data, opinions or estimations regarding the date of issue of the report, prepared by BBVA or obtained from or based on sources we consider to be reliable, and have not been independently verified by BBVA. Therefore, BBVA offers no warranty, either express or implicit, regarding its accuracy, integrity or correctness.

Estimations this document may contain have been undertaken according to generally accepted methodologies and should be considered as forecasts or projections. Results obtained in the past, either positive or negative, are no guarantee of future performance. This document and its contents are subject to changes without prior notice depending on variables such as the economic context or market fluctuations. BBVA is not responsible for updating these contents or for giving notice of such changes.

BBVA accepts no liability for any loss, direct or indirect, that may result from the use of this document or its contents.

This document and its contents do not constitute an offer, invitation or solicitation to purchase, divest or enter into any interest in financial assets or instruments. Neither shall this document nor its contents form the basis of any contract, commitment or decision of any kind.

In regard to investment in financial assets related to economic variables this document may cover, readers should be aware that under no circumstances should they base their investment decisions in the information contained in this document. Those persons or entities offering investment products to these potential investors are legally required to provide the information needed for them to take an appropriate investment decision.

The content of this document is protected by intellectual property laws. It is forbidden its reproduction, transformation, distribution, public communication, making available, extraction, reuse, forwarding or use of any nature by any means or process, except in cases where it is legally permitted or expressly authorized by BBVA.