

## LatAm Daily | In Colombia decision to raise MPR by 25bp in January was taken by a majority

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*BanRep minutes revealed that the decision to raise the MPR by 25 bp was taken by a majority with some members considering a 50 bp increase would be necessary to anchor expectations and preserve the credibility of monetary policy. Today we expect year-end data on GDP of Peru where the growth of the primary sectors will be highlighted.*

### Colombia - BanRep's minutes (January meeting)

The Central Bank published the minutes for its January meeting in which the CB's Board decided to increase its monetary policy rate to 25 bp, taking the repo rate up to 6%. According to the minutes, the majority of the Board members considered it appropriate to continue along the path of 25 bp increases. These members ratified the advantages that this path offers in terms of market predictability and efficiency in the incorporation of marginal information within an environment of high volatility. Nonetheless, another group argued that a 50bp increase was necessary in order to anchor expectations and preserve the credibility of monetary policy.

### Colombia - Central Bank survey of analysts

BanRep published its monthly survey of analysts' expectations for February. According to the survey, analysts anticipate inflation to stand at 1.30% MoM in February. In addition, analysts anticipate year-end inflation to stand at 5.49%, while 1-year and 2-years ahead inflation expectations stand at 4.54% and 3.70%, respectively.

## What to watch for today

### Peru - GDP (December 2015, 11:30hrs NYT)

We estimate December's GDP growth to have reached 5.3% YoY (consensus: 5.3%), the highest print in almost two years. The sources of this expansion are similar to last month's, in particular the strong momentum of primary sectors (18% YoY, especially in mining and fishing activities), which should add nearly 4pp to December's estimated print. On the other hand, non-primary sectors, which more closely reflect what is going on with domestic demand, keep growing at a low and steady pace.

## Calendar indicators

	Date	Period	Consensus	BBVAe	Actual	Prior
<b>Brazil</b>						
Tax Collections	15-Feb al 19-Feb	Jan	--			121502m
Formal Job Creation Total	15-Feb al 19-Feb	Jan	-144416			-596208
Retail Sales MoM	16-Feb	Dec	-2.50%	-1.30%		1.50%
FIPE CPI - Weekly	17-Feb		--			1.34%
FGV Inflation IGP-10 MoM	17-Feb	Feb	1.48%			0.69%
Economic Activity MoM	17-Feb	Dec	-0.63%	-0.20%		-0.52%
CNI Industrial Confidence	18-Feb	Feb	--			36.5
IGP-M Inflation 2nd Preview	19-Feb	Feb	1.25%			0.83%
National Unemployment Rate	19-Feb	Nov	--			9.00
<b>Colombia</b>						
Consumer Confidence Index	16-Feb	Jan	2.60%	2.00%		1.10%
Retail Sales YoY	17-Feb	Dec	0.80%	-1.00%		-0.30%
Industrial Production YoY	17-Feb	Dec	4.10%	5.10%		4.80%
Trade Balance	19-Feb	Dec	--	-\$1380		-\$1689.1
Overnight Lending Rate	19-Feb		6.25%	6.25%		6.00%
<b>México</b>						
Central Bank Monetary Policy Minutes	18-Feb					
<b>Peru</b>						
Unemployment Rate	15-Feb	Jan	6.40%			5.70%
Economic Activity YoY	15-Feb al 19-Feb	Dec	5.30%	5.30%		4.00%
GDP YoY	15-Feb al 19-Feb	4Q	--	4.10		2.90

Source: Bloomberg and BBVA Research

## Most recent Latam reports

Date	Description
02.11.2016	<a href="#">Peru: CB adjust MPR again and is more energetic with expectations (In Spanish)</a>
02.11.2016	<a href="#">Chile: CB maintains MPR unchanged and recognize deterioration in labour market (In Spanish)</a>
02.10.2016	<a href="#">Chile: Outlook 1Q16 (In Spanish)</a>
02.09.2016	<a href="#">Colombia: Trends and Long-term Outlook for Energy Supply and Demand</a>
02.08.2016	<a href="#">Chile: January's CPI grows 0.5% mom influenced by public fees and cigarettes</a>
02.05.2016	<a href="#">Colombia: El Niño drives up inflation</a>
02.05.2016	<a href="#">Chile: GDP grows 2% in 2015 with an Imacec above expectations (In Spanish)</a>
02.05.2016	<a href="#">Brazil: Inflation surprises strongly to the upside</a>
02.04.2016	<a href="#">Mexico: No change in fondeo rate. The tone turned restrictive (In Spanish)</a>
02.03.2016	<a href="#">Mexico: Fondeo rate unchanged at 3.25% (In Spanish)</a>
02.02.2016	<a href="#">Peru: Inflation keeps rising, as expected</a>
02.01.2016	<a href="#">Chile: We forecast CPI in January 2016 at 0.3% MoM (In Spanish)</a>
02.01.2016	<a href="#">Chile: Although the fiscal deficit closed at 2.2% of GDP in 2015, the room for fiscal manoeuvre will narrow</a>

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