

## LatAm Daily | Brazil's Lower House authorised the impeachment of President Rousseff

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*After getting the support of more than two-thirds of Lower House members, the impeachment will now be analysed by the Upper House. In any case, political tensions are likely to remain well-alive. In Peru, GDP grew by 6% YoY in February, above market expectations.*

### Brazil - The Lower House approved the impeachment of President Rousseff

367 out of the 513 members of Brazil's Lower House of Representatives voted yesterday in favour of impeaching President Dilma Rousseff. Therefore, as the number of congress members supporting the removal of the current President exceeded the minimum required level of two-thirds, it is now up to the Upper House of Representatives to decide whether to continue with the impeachment proceedings. More precisely, the Brazilian Senate will first have to decide whether to accept for analysis the impeachment case. If it sees no reasons to do so, then President Dilma Rousseff will remain in power. However, the most likely scenario is that the Upper House will accept, probably around the middle of May, to further analyse the case (a simple majority is needed to do so). In that scenario, President Rousseff will be suspended for 180 days and Vice-President Michel Temer will temporarily take on the presidential duties while the Senate will have to carefully investigate the case and make a final decision. It is important to note that a definitive impeachment of President Rousseff will require the votes of at least two-thirds of the members of the Upper House. Even though that is the most likely outcome of the ongoing impeachment proceedings, other outcomes (including a change in the constitution to allow for a presidential election this year rather than in 2H18) should not be regarded as unlikely. In this environment, we expect political polarisation to further increase and uncertainty to continue at very high levels going forward. Moreover, regardless of the final outcome, of who will be in power from now until the next presidential elections, we are sceptical about the approval of relevant measures to address Brazil's fiscal problems, and therefore see limited room for a significant recovery of the economy.

### Colombia - Central Bank's inflation expectations survey

BanRep published its monthly inflation expectations survey. According to the report, the surveyed analysts expect on average an inflation of 0.66% MoM in April. The inflation expectation by year-end stood at 6.0% while the 12 and 24 months ahead inflation expectations were 4.54% and 3.81%, respectively.

### Peru - GDP growth accelerated in February

GDP grew 6.0% yoy in the second month of the year, above market expectations, driven again by the mining sector. There was also a recovery of Construction (it showed its best outcome in 14 months). For March, the current and leading indicators point to a growth of around 3% (For more details, see our [flash in Spanish](#)).

## What to watch today

No news are expected for today.

## Calendar indicators

	Date	Period	Consensus	BBVAe	Actual	Prior
<b>Brazil</b>						
Tax Collections	15-22 abr	Mar	94660.07			87851m
FGV CPI IPC-S	18-abr	Apr 15	0.46			0.48%
Formal Job Creation Total	18-22 abr	Mar	-89236			-104582
Economic Activity MoM	18-22 abr	Feb	-0.5	-0.30%		-0.61%
National Unemployment Rate	20-abr	Feb	10.1			9.50%
IBGE Inflation IPCA-15 MoM	20-abr	Apr	0.48	0.49		0.43%
Current Account Balance	20-abr	Mar	-1050			-\$1919m
<b>Colombia</b>						
Trade Balance	21-abr	Feb	-1035			-\$1521.0
<b>Mexico</b>						
Bi-Weekly CPI	22-abr	Apr 15	-0.23			0.15%
Bi-Weekly Core CPI	22-abr	Apr 15	0.12			-0.01%
Bi-Weekly CPI YoY	22-abr	Apr 15	2.74			2.49%

Source: Bloomberg and BBVA Research

## Most recent Latam reports

Date	Description
04.15.2016	<a href="#">Mexico Weekly: Government measures alleviate the liquidity problems of PEMEX</a> (In Spanish)
04.15.2016	<a href="#">Peru: GDP growth accelerated in February</a> (In Spanish)
04.15.2016	<a href="#">Peru: Central Bank: MPR unchanged</a> (In Spanish)
04.13.2016	<a href="#">Mexico: Federal Government support allows Pemex to improve its financial situation in 2016</a> (In Spanish)
04.12.2016	<a href="#">Chile: Policy rate keeps at 3.5%, but the restrictive tone is moderated</a> (In Spanish)
04.08.2016	<a href="#">Mexico Weekly: An unfavorable industrial performance corroborates moderate growth outlook</a> (In Spanish)
04.08.2016	<a href="#">Brasil: Times of two-digit inflation are over</a>
04.08.2016	<a href="#">Chile: Surprises in CPI inflation</a> (In Spanish)
04.06.2016	<a href="#">Colombia: Inflation reaches 15-year high on soaring food prices</a>
04.05.2016	<a href="#">Colombia: Automobile Market Outlook 2016</a> (In Spanish)

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