

## LatAm Daily | We expect industrial production to remain weak in Mexico

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*In Mexico, we expect the industrial production index to have grown by 0.2% MoM and 0.4% YoY in April. The magnitude of these growth rates shows weakness in industrial activity and we expect it to remain weak in the short run. Moreover in Colombia, BanRep will publish its monetary policy minutes, where the Board decided to take the repo rate up to 7.25%.*

### What to watch today

#### Chile - Economic expectation survey (June, 08:30hrs NYT)

We expect the results to reveal CPI inflation estimates in a range between 0.2%/0.3% MoM for June, while long-term inflation expectations should remain anchored to the central bank's target of 3% YoY. Monthly activity estimates for May should be around 2% YoY, while GDP growth expectations for 2016 and 2017 will probably be revised downwards. Finally, we expect the results to show less hawkish views for policy rates, and in this context, we do not rule out the possibility that consensus expectations could postpone the monetary normalisation path.

#### Mexico - Industrial production index (April, 9:00hrs NYT)

We expect the industrial production index of April 2016 to have increased 0.2% and 0.4% on a monthly and annual basis, respectively, both seasonally adjusted. Note that in March the monthly and annual growth rates were -0.2% and 0.3%, respectively. The magnitude of these growth rates shows that the performance of industrial activity is weak and our forecast for April indicates that it will continue to be weak in the short run.

#### Colombia - Monetary Policy Minutes (June, 14:00hrs NYT)

BanRep will publish May's minutes. During its last meeting the Central Bank Board decided to increase its monetary policy rate 25bp taking the repo rate up 7.25%. During the press conference, BanRep's Managing Director, Jose Dario Uribe, said that the decision was taken by majority. That being said, the minutes will provide valuable information regarding the Board's discussion and assessment of the macroeconomic outlook.

## Calendar indicators

	Date	Period	Consensus	BBVAe	Actual	Prior
<b>Brazil</b>						
Vehicle Sales Anfavea	06-jun	May			167489	162939
Trade Balance Weekly	06-jun	jun-05			813	
FGV Inflation IGP-DI MoM	07-jun	May	0.89		1.13	0.36%
FGV CPI IPC-S	08-jun	jun-07	0.62		0.59	0.64%
IBGE Inflation IPCA MoM	08-jun	May	0.75	0.68	0.78	0.61%
Selic Rate	08-jun	jun-08	14.25	14.25	14.25	14.25%
IGP-M Inflation 1st Preview	09-jun	Jun	0.64		1.12	0.59%
<b>Chile</b>						
Economic Activity YoY	06-jun	Apr		1.50%	0.74	2.10%
Economic Activity MoM	06-jun	Apr		1	-1.26	-0.10%
Trade Balance	07-jun	May	450	\$412	744.79	\$556
Exports Total	07-jun	May	4600	\$4725	5049.63	\$5068
Imports Total	07-jun	May	4150	\$4313	4305	\$4513
Copper Exports	07-jun	May			2274	\$2166.2
Nominal Wage YoY	07-jun	Apr	5.2	5.2	5.3	5.40%
Vehicle Sales Total	07-10-jun	May			22401	22401
CPI YoY	08-jun	May	4.3	4.3	4.2	4.20%
CPI MoM	08-jun	May	0.3	0.3	0.2	0.30%
CPI Ex Food and Energy MoM	08-jun	May	0.2	0.1	-0.1	0.30%
Central Bank's Traders Survey	08-jun	Jun				
Central Bank's Economist Survey	10-jun	Jun				
<b>Colombia</b>						
Colombia Monetary Policy Minutes	10-jun					
<b>Mexico</b>						
Consumer Confidence Index	06-jun	May			90.9	88.9
Vehicle Exports AMIA	06-jun	May			226240	197020
Vehicle Production AMIA	06-jun	May			279508	269604
CPI MoM	09-jun	May	-0.46	-0.43	-0.45	-0.32%
CPI Core MoM	09-jun	May	0.22	0.20	0.21	0.22%
CPI YoY	09-jun	May	2.6	2.61	2.6	2.54%
Bi-Weekly CPI	09-jun	may-31	0.13	0.20	0.17	-0.48%
Bi-Weekly Core CPI	09-jun	may-31	0.11	0.08	0.11	0.08%
Bi-Weekly CPI YoY	09-jun	may-31	2.64	2.69	2.66	2.53%
Industrial Production NSA YoY	10-jun	Apr	1			-2.00%
Industrial Production SA MoM	10-jun	Apr	-0.05			-0.20%
Manuf. Production NSA YoY	10-jun	Apr	1.7			-1.50%
<b>Peru</b>						
Trade Balance	09-13-jun	Apr	-100		-40.1	-\$69m
Reference Rate	10-jun	jun-09	4.25	4.25		4.25%

Source: Bloomberg and BBVA Research

## Most recent Latam reports

Date	Description
06.10.2016	<a href="#">Peru: The Central Bank maintains rates in 4.25% in a context of decrease of inflation</a> (In Spanish)
06.09.2016	<a href="#">Colombia: Where are we in Financial Inclusion?</a> (In Spanish)
06.08.2016	<a href="#">Brazil: Inflation stopped falling in May but will continue to trend down going forward</a>
06.08.2016	<a href="#">Chile: May's CPI (0.2% MoM) shows a inflation slowdown higher than expected</a> (In Spanish)
06.07.2016	<a href="#">Colombia: Inflation accelerates in May in line with expectations</a>
06.06.2016	<a href="#">Chile: MP report: cut in economic activity growth with greater, but still insufficient, monetary stimulus</a> (In Spanish)
06.06.2016	<a href="#">Chile: Imacec increased 0.7% YoY in April, missing expectations</a> (In Spanish)
06.06.2016	<a href="#">Brazil: Brazil's potential GDP falls to around 1%</a>
06.03.2016	<a href="#">Chile: The unemployment rate increased slightly to 6.4% in April</a> (In Spanish)
06.03.2016	<a href="#">Mexico Weekly: Fed hike less likely due to weak U.S jobs data</a> (In Spanish)

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