

Latam Daily | 1Q15 GDP in Chile comes out in line with the 2.9% expected for the year

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The 1Q15 GDP data confirmed the importance of government consumption in terms of activity, in contrast to the weakness of the fixed investment component, mainly in machinery and equipment.

Chile - GDP grew 2.4% YoY in 1Q15, broadly in line with expectations

The figure reflected the sluggish domestic demand (although recovering from previous figures) that increased 1.3% YoY in 1Q15, nonetheless investment declined 1.7% YoY mainly due to the machinery and equipment component. In this regard, government consumption continues to support domestic demand by increasing 5.6% YoY, even though private consumption recovered to a +1.6% YoY figure. Real exports posted an increase of 1.4% YoY but also revealing a slowdown in external demand, while imports declined by 2.0% YoY in line with the poor investments figures. Finally, in the context of domestic demand weakness and a more depreciated exchange rate, the current account adjustment has continued, this time to a surplus of USD1.2bn (+1.9% of 1Q15 GDP and a deficit of 0.5% of annual GDP), in line with our view for the year. (See [Chile Flash](#) in Spanish).

What to watch today

Mexico - Inflation report (1Q15 13:30 hrs, NYT)

Today the central bank will publish the Quarterly Report on Inflation for the first quarter of 2015 in Mexico, where we will get to know the evaluation of the central bank on the progress of the economy in the first quarter as well as its outlook regarding the evolution of inflation.

Calendar indicators

	Date	Period	Consensus	BBVAe	Actual	Prior
Brazil						
FGV CPI IPC-S	18-May	may-21	0.6		0.65	0.70%
Formal Job Creation Total	18-May	Apr	48435		19282	19282
IGP-M Inflation 2nd Preview	19-May	May	0.44		--	1.16%
CNI Industrial Confidence	19-May	May	--		--	38.5
Economic Activity MoM	21-May	Mar	-0.5	-0.4	--	0.36%
Unemployment Rate	21-May	Apr	6.3		--	6.2%
IBGE Inflation IPCA-15 MoM	22-May	May	0.59	0.58	--	1.07%
Chile						
GDP YoY	18-May	1Q	2.2		2.4	1.80%
GDP QoQ	18-May	1Q	0.9		1	0.90%
Current Account Balance	18-May	1Q	1000		1203	-704.8
Colombia						
Trade Balance	21-May	Mar	-960	-960	--	-\$1245.6
Retail Confidence	22-May	Apr	--	20	--	--
Industrial Confidence	22-May	Apr	--	9	--	4.1
Overnight Lending Rate	22-May	may-26	4.5	4.50%	--	4.50%
Mexico						
Inflation Report	19-May	ene-04	--		--	0
GDP NSA YoY	21-May	1Q	2.4	2.50%	--	2.6%
GDP SA QoQ	21-May	1Q	0.25	0.25%	--	0.7%
Economic Activity IGAE YoY	21-May	Mar	2.6	2.66%	--	2.27%
Bi-Weekly CPI	22-May	may-19	-0.45	-0.41%	--	0.02%
Bi-Weekly Core CPI	22-May	may-19	0.12	0.11%	--	0.08%
Bi-Weekly CPI YoY	22-May	may-19	3.02	3.06%	--	3.10%
Peru						
GDP YoY	20-May	1Q	1.7	1.70%	--	1.0%
Central Bank 2Q Inflation Report	22-May	ene-04	--		--	0

Source: Bloomberg and BBVA Research

Most recent Latam reports

Date	Description
05.18.2015	Chile: GDP grew 2.4% y/y in 1Q15. We projected an IMACEC for April between 2.2% and 2.7% y/y
05.15.2015	Peru: GDP showed better performance in March due to extractive sectors
05.15.2015	Colombia: Colombian infrastructure: Where are we and where are we going?
05.14.2015	Chile: Central Bank maintains the MPR at 3% for the seventh consecutive month
05.14.2015	Peru: Central bank aims to normalize monetary conditions
05.12.2015	Mexico: Industrial production in total pause. Had zero growth in March
05.11.2015	Mexico: In March 2015 Mexico received USD2,257.9mn in remittances (+7.6% YoY)
05.08.2015	Chile: CPI inflation increased 0.6% MoM in April, above expectations
05.08.2015	Mexico: Evaluation of the effects of the EU-FTA on bilateral trade and investment
05.08.2015	Brazil: Inflation moderates as pressure from administered prices ease

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