

Latam Daily Flash

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Economic Analysis

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Today's survey of financial traders in Chile should confirm expectations of additional monetary stimulus in a three-month horizon.

No relevant indicators were published yesterday

What to watch today

Brazil - Monetary policy decision (time unspecified)

We expect the Central Bank of Brazil to announce that the Selic rate will be left unchanged at 11.0%, bringing the current tightening cycle to an end. With the Selic rate at 11.0%, we believe the monetary authority will take some months to assess the impact of the recent tightening (+375bp) on inflation.

Chile - Central bank financial traders survey (2nd fortnight in May, 08:30hrs NYT)

The survey should reveal inflation estimates at around +0.3% MoM for May and expectations of further monetary stimulus in a three-month horizon. This is in a context where long-term inflation expectations remain anchored to the central bank's 3% target. Finally, we also anticipate an exchange-rate forecast in the order of USDCLP 565 in a three-month horizon.

Calendar: Indicators

| Brazil | Date | Period | Consensus | BBVAe | Actual | Prior |
|--------------------------------------|--------|--------|-----------|---------|---------|----------|
| Tax Collections | 26 May | Apr | 105400M | -- | 105884M | 86621M |
| FIPE CPI - Weekly | 27 May | May | 0.40% | -- | 0.36% | 0.42% |
| FGV Construction Costs MoM | 27 May | May | 1.39% | -- | 1.37% | 0.67% |
| Serasa Business Credit Delinquencies | 27 May | -- | -- | -- | -- | -- |
| Federal Debt Total | 27 May | Apr | -- | -- | 2053B | 2081B |
| PPI Manufacturing MoM | 28 May | Apr | -- | -- | -- | -0.22% |
| Selic Rate | 28 May | May | 11.00% | 11.00% | -- | 11.00% |
| FGV Inflation IGPM MoM | 29 May | May | -0.01% | -- | -- | 0.78% |
| Outstanding Loans MoM | 29 May | Apr | -- | -- | -- | 1.0% |
| Total Outstanding Loans | 29 May | Apr | -- | -- | -- | 2760B |
| CNI Consumer Confidence | 29 May | May | -- | -- | -- | 108.7 |
| GDP QoQ | 30 May | 1Q | 0.2% | 0.5% | -- | 0.7% |
| Primary Budget Balance | 30 May | Apr | 16,2B | -- | -- | 3.6B |
| Chile | | | | | | |
| Central Bank's Traders Survey | 28 May | May | -- | -- | -- | -- |
| Manufacturing Index YoY | 30 May | Apr | -- | -3.1% | -- | 0.8% |
| Unemployment Rate | 30 May | Apr | 6.7% | 6.7% | -- | 6.5% |
| Copper Production Total | 30 May | Apr | -- | 481418 | -- | 485614 |
| Retail Sales YoY | 30 May | Apr | -- | 3.0% | -- | 5.2% |
| Colombia | | | | | | |
| Vehicle Sales | 28 May | Apr | -- | -- | -- | 26418 |
| National Unemployment Rate | 30 May | Apr | -- | -- | -- | 9.7% |
| Overnight Lending Rate | 30 May | May | 3.75% | 3.50% | -- | 3.50% |
| Budget Balance | 30 May | Apr | -- | -- | -- | -\$3048B |
| Mexico | | | | | | |
| Trade Balance | 26 May | Apr | -433.0M | -877.0M | 509.6M | 1026.6M |
| Budget Balance YTD | 30 May | Apr | -- | -- | -- | -61.9B |
| Peru | | | | | | |
| GDP YoY | 26 May | 1Q | 4.8% | 4.8% | 4.8% | 5.2% |
| Peru to rebase GDP Indicators | 26 May | -- | -- | -- | -- | -- |
| CPI MoM | 1 Jun | May | -- | -- | -- | 0.39% |
| Wholesale Price Index MoM | 1 Jun | May | -- | -- | -- | 0.06% |

Most recent Latam reports

| Date | Description |
|------------|---|
| 27-05-2014 | ➤ Chile Economic Outlook: Second Quarter 2014 |
| 26-05-2014 | ➤ Mexico GDP Flash: BBVA Bancomer revises its 2014 growth forecast downwards to 2.5% and raises its 2015 estimate to 3.5% |
| 22-05-2014 | ➤ Brazil Economic Outlook: growth will be no higher than 2% in both 2014 and 2015 |
| 22-05-2014 | ➤ Uruguay Automobile Market Outlook 2014 (in Spanish) |
| 22-05-2014 | ➤ Mexico Inflation Flash: Inflation remains under control |
| 21-05-2014 | ➤ Colombia Economic Outlook: Second Quarter 2014 (in Spanish) |
| 21-05-2014 | ➤ Paraguay Economic Outlook: First Half 2014 (in Spanish) |
| 21-05-2014 | ➤ Financial Inclusion Economic Watch: The Financial Inclusion Law in Uruguay |
| 20-05-2014 | ➤ Financial Inclusion Economic Watch: Analyzing the Uruguayan Law on Financial Inclusion (in Spanish) |
| 19-05-2014 | ➤ Chile Flash: GDP grew 2.6% YoY in 1Q14 above market expectations |

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