

LatAm Daily | The magnitude of the last MPR hike in Colombia was not unanimous

Marina Conesa / Enestor Dos Santos / Hugo Perea / Cecilia Posadas / Jorge Selaive / Carlos Serrano / Juana Téllez

The minutes of the latest CB meeting in Colombia revealed a unanimous rate hike decision although not in terms of the magnitude. This week we will see data for unemployment and economic activity in Brazil and Peru, and also confidence indexes and retail sales in Brazil and Colombia.

Colombia - BanRep's minutes

BanRep released its monetary policy meeting minutes for November, when the CB's Board decided to increase the repo rate 25bp. According to the minutes, all the members agreed that the monetary policy rate had to be increased but disagreed on the magnitude of monetary policy tightening. According to the text, it appears that the majority voted in favour of a 25bp increase while the rest preferred a 50bp hike.

What to watch today

No relevant news is expected for today.

Calendar indicators

	Date	Period	Consensus	BBVAe	Actual	Prior
Brazil						
Formal Job Creation Total	14-Dec	Nov	-172550.00			-169131.00
CNI Consumer Confidence	14-Dec	Dec				97.60
CNI Industrial Confidence	15-Dec	Dec				36.40
FGV Inflation IGP-10 MoM	16-Dec	Dec	0.82%			1.64%
FGV CPI IPC-S	16-Dec	Dec	1.12%			1.21%
Retail Sales MoM	16-Dec	Oct	-1.40%	-0.70%		-0.50%
Unemployment Rate	17-Dec	Nov	8.00%	7.90%		7.90%
Economic Activity MoM	17-Dec	Oct	-0.45%	-0.10%		-0.50%
IBGE Inflation IPCA-15 MoM	18-Dec	Dec	1.11%	0.93%		0.85%
Chile						
Overnight Rate Target	17-Dec	Dec	3.25%			3.25%
Colombia						
Consumer Confidence Index	15-Dec	Nov	7.00	8.00		6.80
Retail Sales YoY	16-Dec	Oct	1.70%	2.00%		2.80%
Industrial Production YoY	16-Dec	Oct	1.55%	3.00%		2.00%
Retail Confidence	18-Dec	Nov		18.00		20.50
Industrial Confidence	18-Dec	Nov		4.00		2.10
Overnight Lending Rate	18-Dec	Dec	5.75%			5.50%
Mexico						
Overnight Rate	17-Dec	Dec	3.25%			3.00%
Central Bank Economist Survey	18-Dec					
Peru						
Unemployment Rate	15-Dec	Nov	5.80%			
Economic Activity YoY	15-Dec	Oct	3.10%	3.20%		3.00%
Central Bank 4Q Inflation Report	18-Dec					

Source: Bloomberg and BBVA Research

Most recent Latam reports

Date	Description
12.11.2015	Peru: High inflation expectations lead the Central Bank to taper the monetary stimulus
12.10.2015	Colombia: The good GDP result in the third quarter will be temporary (In Spanish)
12.09.2015	Brazil: Double-digit inflation
12.07.2015	Chile: CPI with no monthly variation in November, while activity remain weak in October
12.07.2015	Colombia: November inflation climbs to 6.4%
12.04.2015	Peru: Exports fell nearly 14% yoy in October
12.04.2015	Mexico: The expectation for December interest rate hike is reinforced
12.03.2015	Chile: We expect null variation for November's CPI (4% YoY)
12.03.2015	Chile: Activity by sector data remained weak in October
12.03.2015	Brazil: The risk of further monetary tightening raises as the fiscal situation worsens
12.03.2015	Mexico: Credit to the private sector: maintained growth of 13.3%
12.02.2015	Peru: Inflation resumes upward trend in November
12.01.2015	Mexico: Remittances grow 1.7% in October with a flow of 2,075.9md (In Spanish)
11.30.2015	Chile: October's IMACEC would stand around 2% (In Spanish)
11.30.2015	Chile: Only a negative CPI in November would avoid further increase in the MPR this month (in Spanish)
11.28.2015	Colombia: BanRep increased the repo rate 25bp up to 5.50% as expected
11.27.2015	Mexico: Annual inflation below 2.3%. Next week watch for US jobs data

This document has been prepared by BBVA Research Department, it is provided for information purposes only and expresses data, opinions or estimations regarding the date of issue of the report, prepared by BBVA or obtained from or based on sources we consider to be reliable, and have not been independently verified by BBVA. Therefore, BBVA offers no warranty, either express or implicit, regarding its accuracy, integrity or correctness.

Estimations this document may contain have been undertaken according to generally accepted methodologies and should be considered as forecasts or projections. Results obtained in the past, either positive or negative, are no guarantee of future performance. This document and its contents are subject to changes without prior notice depending on variables such as the economic context or market fluctuations. BBVA is not responsible for updating these contents or for giving notice of such changes.

BBVA accepts no liability for any loss, direct or indirect, that may result from the use of this document or its contents.

This document and its contents do not constitute an offer, invitation or solicitation to purchase, divest or enter into any interest in financial assets or instruments. Neither shall this document nor its contents form the basis of any contract, commitment or decision of any kind.

In regard to investment in financial assets related to economic variables this document may cover, readers should be aware that under no circumstances should they base their investment decisions in the information contained in this document. Those persons or entities offering investment products to these potential investors are legally required to provide the information needed for them to take an appropriate investment decision.

The content of this document is protected by intellectual property laws. It is forbidden its reproduction, transformation, distribution, public communication, making available, extraction, reuse, forwarding or use of any nature by any means or process, except in cases where it is legally permitted or expressly authorized by BBVA.