

## LatAm Daily | In Chile economic activity in January recorded low expansion

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

*The figure in Chile was driven by positive contributions from services but offset by declines in mining and manufacture production. Also in Chile, trade balance figures reflect the weakness in domestic demand with declines in imports in consumption goods. Today we expect inflation figures for February, where we expect a 4.6% YoY, driven by housing and services.*

### Chile - Imacec remains sluggish after a meager +0.3% YoY in January

Economic activity increased 0.3% YoY (0.0% MoM SA), slightly below our forecast and the market consensus (both at +0.2% YoY). The figure was driven by positive contributions from services but offset by declines in mining and manufacture output, but also affected by one working-day less and a high comparison base. For February we estimate a preliminary figure around 1.5% YoY. All in all, economic activity data remains weak (see our [Chile Flash](#) in Spanish for details).

### Chile - Trade balance reached surplus of USD597mn in February

The trade figures posted a surplus of USD597mn in February and a positive USD1,282mn YtD. The monthly print was driven by exports at USD4.76bn (-6.5% YoY), with annual declines in mining and manufacture (-7.7% and -7.0% YoY, respectively). Imports reached USD4.17bn (-7.5% YoY), still reflecting the weakness in domestic demand with yearly declines in consumption goods (-1.6% YoY). Capital goods imports increased 4.1% YoY, nonetheless the figure, which excludes transportation, showed a decline of 11.9% YoY. Overall, external sector figures remain sluggish in February.

### Chile - Nominal salaries increased by 1.4% MoM in January

Wages increased 1.4% MoM (5.8% YoY) in January, explained mainly by a seasonal increase in the minimal wage. The figure was driven by sectors such as commerce, services, real estate and construction. In real terms, wages increased by 1.0% MoM (+1.0% YoY). All in all, we still expect a deceleration of wages during the year in line with weak economic activity figures (see our [Chile Flash](#) in Spanish for details).

## What to watch for today

### Chile - Consumer price index (February, 07:00hrs NYT)

We expect an increase of 0.2% MoM in February (+4.6% YoY), driven by increases in housing and services that should be partially offset by declines in foodstuffs. Meanwhile, core measures that exclude foods and energy will rise around 0.4% MoM (+4.9% YoY).

## Calendar indicators

	Date	Period	Consensus	BBVAe	Actual	Prior
<b>Brazil</b>						
FGV Inflation IGP-DI MoM	8-Mar	Feb	0.96		0.79	1.53
IBGE Inflation IPCA MoM	9-Mar	Feb	1.26	1		1.27
COPOM Monetary Policy Meeting Minutes	10-Mar					
Retail Sales MoM	10-Mar	Jan	-0.4	-0.5		-2.7
Economic Activity MoM	11-Mar	Jan		-0.3		-0.52
<b>Chile</b>						
Copper Exports	7-Mar	Feb			2267.61	2054.09
Trade Balance	7-Mar	Feb	575	650	596.89	685.21
Economic Activity YoY	7-Mar	Jan	0.2	0.2	0.25	1.46
Economic Activity MoM	7-Mar	Jan	-0.1	0.3	-0.03	0.83
Nominal Wage YoY	7-Mar	Jan	4.9		5.8	5.2
Nominal Wage MoM	7-Mar	Jan			1.4	1
Vehicle Sales Total	7-mar al 10-mar	Feb				25484
CPI MoM	8-Mar	Feb	0.3	0.2	0.3	0.5
CPI YoY	8-Mar	Feb	4.6	4.6	4.7	4.8
Central Bank's Traders Survey	9-Mar					
Central Bank's Economist Survey	10-Mar					
<b>Colombia</b>						
GDP YoY	10-Mar	4Q	3	2.4		3.2
GDP QoQ	10-Mar	4Q	0.5	-0.1		1.2
GDP Full Year YoY	10-Mar	2015		2.9		4.6
Economic Activity Index SA YoY	10-Mar	Dec	2.8	2.5		3.2
Colombia Monetary Policy Minutes	11-Mar					
<b>Mexico</b>						
Consumer Confidence Index	7-Mar	Feb			88.7	92.5
Vehicle Production AMIA	7-mar al 9-mar	Feb			271278	267498
CPI MoM	9-Mar	Feb	0.53			0.38
CPI Core MoM	9-Mar	Feb	0.36			0.19
CPI YoY	9-Mar	Feb	2.96			2.61
ANTAD Same-Store Sales YoY	9-Mar	Feb				8.6
Formal Job Creation Total	10-mar al 11-mar	Feb		116.1		69.2
Industrial Production NSA YoY	11-Mar	Jan	0.16	0.4		-0.04
Industrial Production SA MoM	11-Mar	Jan	0.2	-0.2		-0.14
Manuf. Production NSA YoY	11-Mar	Jan	2.1			2.52
<b>Peru</b>						
Trade Balance	9-mar al 11-mar	Jan				193
Reference Rate	11-Mar	1-mar	4.5	4.5		4.25

Source: Bloomberg and BBVA Research

## Most recent Latam reports

Date	Description
03.07.2016	<a href="#">Colombia: February CPI rises below expectations</a>
03.07.2016	<a href="#">Chile: The challenge of improving medium-term projections</a>
03.07.2016	<a href="#">Chile: IMACEC recorded lower growth in activity since the earthquake of 27-F</a>
03.07.2016	<a href="#">Colombia: February inflation is below expectations</a> (In Spanish)
03.04.2016	<a href="#">Brazil: The recession continued in 4Q15 and GDP dropped 3.8% last year.</a>
03.03.2016	<a href="#">Brazil: No changes in sight for interest rates</a>
03.02.2016	<a href="#">Mexico: Economic Outlook 1Q16 - Presentation</a> (In Spanish)
03.02.2016	<a href="#">Mexico: Economic Outlook 1Q16</a> (In Spanish)
03.02.2016	<a href="#">Brazil: Economic Outlook 1Q16 - Presentation</a>
03.02.2016	<a href="#">Chile: Fundamentals of Chilean economy</a>
03.01.2016	<a href="#">Latam: Economic Outlook 1Q16</a>
03.01.2016	<a href="#">Mexico: Credit to the private sector begins the year with a growth of 15.3%</a> (In Spanish)
03.01.2016	<a href="#">Chile: Labour aggregates, job search efforts and Google trends</a> (In Spanish)
03.01.2016	<a href="#">Mexico: Remittances start 2016 with growth of 18.8% in January</a> (In Spanish)

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