

LatAm Daily | Inflation in Chile without surprises in February: 0.3% MoM, 4.7% YoY

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We believe that CB will opt to keep the MPR at the meeting next week, albeit with a tightening bias. Today we expect the survey of financial operators, which will confirm the anchored long-term inflation expectations. We also expect that inflation in Brazil in February will remain pressured by food and administered prices.

Chile - CPI inflation increased 0.3% MoM in February, broadly in line with expectations

CPI registered a 0.3% MoM figure in February (+4.7% YoY), broadly in line with expectations (consensus: 0.3% MoM; BBVAe: +0.2% MoM). The monthly print was driven by positive contributions from electricity fares and apparel that were partially offset by declines in foodstuffs. Meanwhile, the measure that excludes foods and energy increased +0.4% MoM (+5.0% YoY). Finally, all incoming data support a pause in rates but with a tightening bias at next week's monetary policy meeting (see our [Chile Flash](#) in Spanish for details).

What to watch for today

Chile - Financial traders' survey (1st fortnight in March, 06:30hrs NYT)

We expect the survey to show inflation expectations at around +0.5% MoM for March and anchored long-term inflation expectations. Short-term inflation and activity data support expectations of a pause in the monetary policy normalisation process, while the survey's results should also anticipate a stable exchange-rate in the short-term.

Brazil - Inflation (February, 7:00hrs NYT)

We expect inflation to remain pressured by food and administered prices (especially transport and education). Our forecast is for the IPCA to come in around 10.47% YoY/ 1.0% MoM, in comparison to 10.71% YoY/ 1.27% MoM in January.

Calendar indicators

	Date	Period	Consensus	BBVAe	Actual	Prior
Brazil						
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
Chile						
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					
Colombia						
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					
Mexico						
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
Peru						
Trade Balance	9-mar al 11-mar	Jan				193
Reference Rate	11-Mar	1-mar	4.5	4.5		4.25

Fuente: BBVA Research

Most recent Latam reports

Date	Description
03.08.2016	Chile: Without surprises, inflation in February stands at 0.3% mom (In Spanish)
03.07.2016	Colombia: February CPI rises below expectations (In Spanish)
03.07.2016	Chile: The challenge of improving medium-term projections (In Spanish)
03.07.2016	Chile: IMACEC recorded lower growth in activity since the earthquake of 27-F (In Spanish)
03.07.2016	Colombia: February inflation is below expectations (In Spanish)
03.04.2016	Brazil: The recession continued in 4Q15 and GDP dropped 3.8% last year.
03.03.2016	Brazil: No changes in sight for interest rates
03.02.2016	Mexico: Economic Outlook 1Q16 (In Spanish)
03.02.2016	Chile: Fundamentals of Chilean economy
03.01.2016	Latam: Economic Outlook 1Q16

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