

LatAm Daily | Today, Mexico's trade balance for March will be released

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

Mexico's trade balance will show a deficit of 650 US million dollars in March, showing deterioration with respect to the figure for March 2015 (which showed a surplus of 470 MD), due to the decrease in the international price of a barrel of oil. Also in Mexico, a negative IGAE's monthly rate of growth for February of -0.1% is expected today.

No relevant news was released yesterday.

What to watch today

Mexico - Trade balance (March, 9:00 hrs NYT)

We estimate that Mexico's trade balance for March 2016 will show a deficit of 650 US million dollars (MD). This trade balance is less than that observed during the previous month (-725 MD), and it should be noted that in March 2015 the trade balance had a surplus of 470 MD. The substantial decrease in the international price of a barrel of oil during the last twelve months is the main factor that explains the deterioration of Mexico's trade balance during this period.

Mexico - IGAE-Economic Activity Index (February, 9:00 hrs NYT)

We consider that IGAE's monthly rate of growth for February will be negative at -0.1%. This rate will be the by-product of the observed monthly decrease in industrial production (-0.1% m/m, sa) and also of the weakness of the service sector.

Calendar indicators

| | Date | Period | Consensus | BBVAe | Actual | Prior |
|------------------------------|--------|--------|-----------|--------|--------|---------|
| Brazil | | | | | | |
| FGV CPI IPC-S | 25-abr | Apr 22 | 0.42 | | 0.38 | 0.45% |
| Federal Debt Total | 25-abr | Mar | | | 2887 | 2819b |
| FGV Consumer Confidence | 26-abr | Apr | | | | 67.1 |
| FIPE CPI - Weekly | 27-abr | Apr 22 | 0.64 | | | 0.75% |
| Selic Rate | 27-abr | Apr 27 | 14.25 | 14.25 | | 14.25% |
| FGV Inflation IGPM MoM | 28-abr | Apr | 0.36 | | | 0.51% |
| Outstanding Loans MoM | 28-abr | Mar | | | | -0.5% |
| Primary Budget Balance | 29-abr | Mar | -10.9 | | | -23.0b |
| CNI Consumer Confidence | 29-abr | Apr | | | | 97.6 |
| Chile | | | | | | |
| Central Bank Meeting Minutes | 27-abr | 0 | | | | 0.0% |
| Manufacturing Production YoY | 29-abr | Mar | 1.1 | 1.5% | | 1.3% |
| Retail Sales YoY | 29-abr | Mar | 3.9 | 5.5% | | 7.4% |
| Industrial Production YoY | 29-abr | Mar | 1.5 | | | 1.8% |
| Unemployment Rate | 29-abr | Mar | 6% | 6.1% | | 5.9% |
| Colombia | | | | | | |
| Retail Confidence | 25-abr | Mar | | 18.0 | 25.5 | 25.4 |
| Industrial Confidence | 25-abr | Mar | | 13.0 | 4.1 | 10.4 |
| National Unemployment Rate | 29-abr | Mar | | | | 10% |
| Urban Unemployment Rate | 29-abr | Mar | 10.3 | | | 10.3% |
| Overnight Lending Rate | 29-abr | Apr 29 | 6.75 | 6.75 | | 6.5% |
| Mexico | | | | | | |
| Retail Sales MoM | 25-abr | Feb | 0.1 | | 0.2 | 2.7% |
| Retail Sales YoY | 25-abr | Feb | 5.1 | | 9.6 | 5.2% |
| Trade Balance | 26-abr | Mar | -100 | -650 m | | -724.7m |
| Economic Activity IGAE YoY | 26-abr | Feb | 3 | 2.9% | | 2.33% |
| Unemployment Rate SA | 27-abr | Mar | 4.3 | | | 4.28% |
| GDP NSA YoY | 29-abr | 1Q P | 2.2 | | | 2.5% |
| GDP SA QoQ | 29-abr | 1Q P | 0.45 | 0.40% | | 0.5% |
| Net Outstanding Loans | 29-abr | Mar | | | | 3154b |

Source: Bloomberg and BBVA Research

Most recent Latam reports

| Date | Description |
|------------|---|
| 04.23.2016 | Mexico: Bank deposits: loss of momentum driven by term deposits (In Spanish) |
| 04.22.2016 | Mexico Weekly: The sluggishness of investment and exports will limit GDP growth (In Spanish) |
| 04.15.2016 | Mexico Weekly: Government measures alleviate the liquidity problems of PEMEX (In Spanish) |
| 04.15.2016 | Peru: GDP growth accelerated in February (In Spanish) |
| 04.15.2016 | Peru: Central Bank: MPR unchanged (In Spanish) |
| 04.13.2016 | Mexico: Federal Government support allows Pemex to improve its financial situation in 2016 (In Spanish) |
| 04.12.2016 | Chile: Policy rate keeps at 3.5%, but the restrictive tone is moderated (In Spanish) |
| 04.08.2016 | Mexico Weekly: An unfavorable industrial performance corroborates moderate growth outlook (In Spanish) |
| 04.08.2016 | Brasil: Times of two-digit inflation are over |
| 04.08.2016 | Chile: Surprises in CPI inflation (In Spanish) |

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.