

LatAm | Chile's economic growth for 2015 revised to the upside by the analysts survey

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Likewise, inflation expectations for 2015 also increased from 2.9% to 3.2%, mainly driven by second-round effects of past annual inflation and some exchange-rate pass-through. Today we will be keeping an eye on Chile's financial traders survey.

Chile – A slight upward revision in 2015 GDP growth forecasts although more persistent annual inflation is expected

According to the analysts survey, the GDP growth expectations for 2015 revealed another upward revision, from 2.7% to 2.8%. Despite the slight rise, distributions of responses anticipates further, but moderate, increases in forecasts during coming months - towards our expectation of 3.1% for the year. In this regard, 82% of analysts surveyed expect 2015 GDP growth above 2.75%, while in February this contained optimism only accounted for 66% of those surveyed. Inflation expectations for 2015 increased from 2.9% to 3.2% after two consecutive surprises in monthly inflation figures, mainly related to second-round effects of past annual inflation and some mild exchange-rate pass-through. Long-term inflation forecasts remained anchored to the central bank's 3% target. Expectations for March's CPI are at 0.7% MoM (in line with our view). Finally, in terms of monetary policy, the market view moved towards a less dovish stance, with no cuts in rates during 2015 (from one 25bp cut a month ago and two 25bp cuts two months ago).

What to watch today

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

We believe the results of the survey should point to an increase of around 0.7% MoM in CPI during March. Expectations for 2015 annual inflation will probably increase given the positive surprises in the last two months. Finally, in terms of monetary policy, estimates should remain hawkish with a stable rate at 3% for the rest of the year.

Calendar indicators

Brazil	Date	Period	Consensus	BBVAe	Actual	Prior
FGV CPI IPC-S	9-Mar	Mar-12	1.16	-	1.26%	0.97%
COPOM Monetary Policy Meeting Minutes	12-Mar	Jan-04	--	-	-	-
Retail Sales MoM	13-Mar	Jan	-0.5	-	-	-2.60%
Chile						
Vehicle Sales Total	9-Mar	Feb	--	-	23,891	23,891
Trade Balance	9-Mar	Feb	\$1,300.00	\$1,208.00	\$748.00	\$1,376.00
Copper Exports	9-Mar	Feb	--	\$2,975.00	\$2,480.00	\$2,870.00
Colombia						
Retail Sales YoY	13-Mar	Jan	7.9	-	-	9.60%
Industrial Production YoY	13-Mar	Jan	1.2	-	-	2.10%
Consumer Confidence Index	13-Mar	Feb	17.1	-	-	17.9
Vehicle Sales	13-Mar	Feb	--	-	-	-
Mexico						
CPI MoM	9-Mar	Feb	0.22	0.20%	0.19%	-0.1%
CPI Core MoM	9-Mar	Feb	0.37	0.37%	0.34%	0.0%
CPI YoY	9-Mar	Feb	3.03	3.01%	3%	3.1%
Vehicle Production AMIA	9-Mar	Feb	--	-	282,856	266,424
Vehicle Exports AMIA	9-Mar	Feb	--	-	222,351	204,907
ANTAD Same-Store Sales YoY	10-Mar	Feb	5.1	-	5.10%	5.50%
Formal Job Creation Total	12-Mar	Feb	129.85	117.6K	-	59.8K
Industrial Production YoY	13-Mar	Jan	2.1	3.31	-	3.00%
Industrial Production MoM	13-Mar	Jan	0.35	0.53	-	-0.30%
Peru						
Trade Balance	10-Mar	Jan	-500	-	-\$454	\$121M
Reference Rate	13-Mar	Mar	3.25	-	-	3.25%
Unemployment Rate	13-Mar	Feb	7	-	-	6.40%
Economic Activity YoY	13-Mar	Jan	1.7	-	-	0.50%

Source: Bloomberg and BBVA Research

Most recent Latam reports

Date	Description
03.09.2015	Mexico: Still little evidence of pass-through
03.06.2015	Chile: Once again CPI inflation above expectations in February
03.06.2015	Colombia: Monthly inflation in February stood at 1.15%, taking the annual print up to 4.36%.
03.05.2015	Chile: Imacec at 2.7% YoY support additional upwards revision in GDP growth expectations of market consensus
03.05.2015	Mexico: Remittances fell in January (-0.7% YoY) after 17 consecutive months of growth
03.05.2015	Brazil Flash: Another 50bp adjustment of the SELIC rate
02.27.2015	Mexico Weekly: All eyes on consumer and producer confidence as indicators of economic performance in the first quarter
02.23.2015	Mexico Weekly Flash: The quarterly GDP growth in the fourth quarter of 2014 was 0.7% (In Spanish)
02.16.2015	Peru Flash: There was no economic recovery at the end of last year...

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