

Latam Daily | Minutes in Colombia were in line with an unchanged MPR for the year

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Inflation in Chile came out above expectations but was still in line with an annual rate of inflation of 2.9% by the end of 2015. In Mexico consumer confidence registered the biggest drop in nine months with monthly declines in the five sub-indices, which reinforces our view of slow start of the year in economic activity.

Chile - CPI inflation increased 0.6% MoM in April, above expectations

Consumer inflation increased 0.6% MoM in April (+4.1% YoY), above both our expectations and those of the consensus (BBVAe: +0.4% MoM, consensus: +0.3% MoM). Positive contributions came mainly from foodstuffs, transportation and health. With this figure the accumulated rate of inflation reached 1.6% YtD. Despite this positive monthly surprise, we still expect annual inflation to reach 2.9% by the end of 2015 (see our Chile Flash in Spanish for details).

Colombia - Central bank minutes

BanRep released the Board minutes for its latest monetary policy meeting. According to the minutes, the CB's Board expects inflation to continue above the upper bound of the inflation target range, but believes it should converge to 3% next year. The Board highlighted that the recent behavior of inflation is mostly related with the temporary increase in food prices. Although the GDP growth forecast continued in the 2%-4% range, the Board anticipates a 3% GDP growth as the most likely scenario, below the 3.6% expected before. One member of the Board signaled that GDP growth could be somewhat lower. We believe the minutes confirm our view that keeping the policy rate at 4.5% is the most likely scenario this year.

Mexico - In April, consumer confidence registered the biggest drop in nine months

The consumer confidence index (CCI) fell from 92.8 points (pts.) in March to 90.8 pts. in April, posting a monthly decrease of 2.1%, in seasonally adjusted terms. The five sub-indexes of the ICC all registered monthly declines. In the original series, the ICC reached 91.3 pts., lower than expected by the market (BBVAe: 93.7 pts.; consensus: 93.6 pts.).

What to watch today

No relevant economic news is expected for today.

Calendar indicators

	Date	Period	Consensus	BBVAe	Actual	Prior
Brazil						
IGP-M Inflation 1st Preview	11-May	May	0.52	--	--	1.03%
Retail Sales MoM	14-May	Mar	-0.4	-0.2%	--	-0.1%
Formal Job Creation Total	14-May	Apr	50000	--	--	19282
FGV Inflation IGP-10 MoM	15-May	May	0.72	--	--	1.27%
Economic Activity MoM	15-May	Mar	-0.4	-0.40%	--	0.36%
Chile						
Vehicle Sales Total	10-May	Apr	--	21859	--	21469
Central Bank's Economist Survey	12-May	0	--	--	0	0
Central Bank's Traders Survey	13-May	0	--	--	0	0
Overnight Rate Target	14-May	41760	3.00	3.0%	--	3.00%
Colombia						
Retail Sales YoY	14-May	Mar	3.5	3.80%	--	4.3%
Industrial Production YoY	14-May	Mar	-1.00	-0.80%	--	-1.3%
Consumer Confidence Index	15-May	Apr	--	0.00%	--	2.3
Mexico						
Industrial Production YoY	12-May	Mar	1.9	1.9%	--	1.6%
Industrial Production MoM	12-May	Mar	0.35	0.35%	--	0.2%
ANTAD Same-Store Sales YoY	12-May	Apr	4.6	--	--	5.2%
Central Bank Monetary Policy Minutes	14-May	0	--	--	0	0
Peru						
Trade Balance	10-May	Mar	--	--	--	-\$280M
Reference Rate	15-May	May	3.25	--	--	3.25%
Unemployment Rate	15-May	Apr	6.6	--	--	7.0%
Economic Activity YoY	15-May	Mar	2.15	--	--	0.9%

Source: Bloomberg and BBVA Research

Most recent Latam reports

Date	Description
05.08.2014	Chile: CPI inflation increased 0.6% MoM in April, above expectations
05.08.2014	Mexico: Evaluation of the effects of the EU-FTA on bilateral trade and investment
05.08.2014	Brazil: Inflation moderates as pressure from administered prices ease
05.07.2014	Peru Outlook (in Spanish)
05.07.2014	Chile Outlook (in Spanish)
05.07.2014	Colombia Outlook (in Spanish)
05.07.2014	Brazil: We expect another Selic hike in June
05.07.2014	Mexico: Subdued Inflation Outlook
05.06.2014	Colombia: Soaring food prices drive inflation to six-year high
05.06.2015	Chile: IMACEC located on consensus driven by services (in Spanish)
05.06.2015	Colombia: High food prices press inflation to maximum of six years (In Spanish)
04.30.2015	Chile: Imacec grew around 1.0% YoY in March

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