

Latam Daily | GDP in Peru in April rose at its fastest rate over the past year to 4.3% YoY

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Peruvian GDP growth was mainly driven by the Fishing and Mining sectors, however, non-primary activities performed badly. We expect lower readings in the short term as we anticipate that the strength in the fishing sector will ease and the slowdown in the non-primary sectors will increase, confirming our view of a greater weakness in domestic demand in 2Q15

Peru - Output growth accelerated in April

Output growth reached 4.3% YoY in April, its strongest pace over the past year. Primary sectors such as Fishing and Mining were the main drivers. On the contrary, the weakness of non-primary activities has increased. We do not expect to see a similar output growth print in the short term given that we believe the support from Fishing will start to fade away (and could even turn negative in June) and the slowdown in non-primary sectors could increase, which suggests that domestic demand has weakened in 2Q15. (See our Peru Flash).

What to watch today

Brazil - Retail sales (April, 8:00hrs NYT)

We expect retail sales to have grown somewhat (around 0.5% MoM) in April, following the contractions observed in the previous two months. In any case, we believe this likely expansion should be seen more as an one-off correction than the beginning of a new upward trend.

Calendar indicators

	Date	Period	Consensus	BBVAe	Actual	Prior
Brazil						
Trade Balance Weekly	15-June	1-Jun	--		\$678M	\$1976M
Formal Job Creation Total	15 June - 22 June	May	--		--	-97828
Tax Collections	16 June - 22 June	May	--		--	109241M
FGV Inflation IGP-10 MoM	16-June	Jun	--		--	0.52%
Retail Sales MoM	16-June	Apr	0.7%	0.50%	--	-0.9%
Economic Activity MoM	17-June	Apr	-0.45%	-0.10%	--	-1.07%
IGP-M Inflation 2nd Preview	18-June	Jun	--		--	0.41%
IBGE Inflation IPCA-15 MoM	19-June	Jun	0.69%	0.60%	--	0.60%
Central Bank Quarterly Inflation Report	22 June - 30 June				--	
Colombia						
Retail Sales YoY	16-June	Apr	3.0%	4.30%	--	3.4%
Industrial Production YoY	16-June	Apr	-0.0%	1.00%	--	-0.1%
Consumer Confidence Index	17-June	May	--	7	--	8.2
Mexico						
Central Bank Monetary Policy Minutes	18-June		--		--	
Aggregate Supply and Demand	19-June	1Q	--		--	4.0%
Retail Sales MoM	22-June	Apr	--		--	0.2%
Peru						
Unemployment Rate	15-June	May	--		7%	6.8%
Economic Activity YoY	15-June	Apr	3.9%	4.50%	4.3%	2.7%

Source: Bloomberg and BBVA Research

Most recent Latam reports

Date	Description
06.15.2015	Peru: GDP accelerates in April reaching 4.3% YoY
06.12.2015	Mexico: Inflation touches historical low and industrial activity begins slow in the 2 Q15
06.12.2015	Colombia: GDP growth surprises on the upside
06.11.2015	Peru: We expect the Central Bank to keep its monetary policy unchanged for the remaining of the year
06.11.2015	Mexico: Industrial production contracts slightly
06.11.2015	Chile: Central Bank keeps its monetary policy unchanged at 3%, as expected
06.10.2015	Colombia: Inflation slows down in May due to a drop in food prices
06.10.2015	Colombia: PIPE 2.0 to boost production and employment
06.08.2015	Chile: Confidence would have dragged down Chilean GDP by between 0.3%-0.6%
06.08.2015	Chile: Inflation rises to 0.2% in May, in line with expectations
06.05.2015	Chile: Imacec falling short of expectations and wages slowing down

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