

LatAm Daily | Activity in Brazil surprises to the upside in May

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Following two months in a row of declines, economic activity remained flat in May. Despite this surprise, we still expect GDP to contract in the 2Q15.

Brazil - Activity remained stable in May

After dropping 1.5% MoM in March and 0.9% MoM in April, economic activity remained stable (0.0% MoM) in May according to the BCB's economic activity indicator (IBC-Br). Even though the figure was better than expected (BBVAe: -0.8% MoM; consensus: -0.6% MoM), we continue to expect GDP to contract more than 1% QoQ in 2Q15, in comparison to a contraction of "only" 0.2% QoQ in 1Q15.

Calendar indicators

	Date	Period	Consensus	BBVAe	Actual	Prior
Brazil						
IGP-M Inflation 2nd Preview	20 July	Jul	--	--	--	0.59%
IBGE Inflation IPCA-15 MoM	22 July	Jul	0.48%	0.6%	--	0.99%
Current Account Balance	22 July	Jun	--	--	--	-\$3366M
FGV CPI IPC-S	23 July	22-jul	--	--	--	0.72%
Unemployment Rate	23 July	Jun	6.80%	6.9%	--	6.70%
FIPE CPI - Weekly	24 July	23-jul	--	--	--	--
FGV Consumer Confidence	24 July	Jul	--	--	--	83.90
Chile						
Central Bank's Traders Survey	22 July	--	--	--	--	--
Colombia						
Trade Balance	21 July	May	--	-\$672M	--	-\$1038.9M
Industrial Confidence	21 July	Jun	--	5	--	0.90
Mexico						
Retail Sales YoY	22 July	May	5.00%	5.0%	--	4.6%
Retail Sales MoM	22 July	May	0.20%	0.3%	--	-0.3%
Unemployment Rate SA	24 July	Jun	4.46%	4.4%	--	4.4%
Unemployment Rate NSA	24 July	Jun	4.42%	4.36%	--	4.45%
Economic Activity IGAE YoY	24 July	May	1.03%	2.0%	--	2.09%

Fuente: BBVA Research

Most recent Latam reports

Date	Description
07.17.2015	Mexico: We expect services to have spurred the growth in activity in May
07.15.2015	Peru: Economic activity slows down in May
07.13.2015	Chile: Central Bank of Chile keeps MPR at 3% as expected
07.10.2015	Colombia: Client presentation on real estate in Santa Marta
07.10.2015	Mexico: Inflation touches record low; industrial production shows weakness
07.10.2015	Peru: Monetary dilemma remains; activity, exchange rate, inflation?
07.09.2015	Chile: Analyzing the new fiscal scenario
07.09.2015	Mexico: Inflation YoY reached its lowest level in June
07.08.2015	Chile: "One timers" drive inflation above expectations
07.05.2015	Sectors that will benefit the most from the Pacific Alliance
07.04.2015	Chile: IMACEC grows 0.8% YoY in May: slowdown speeds up
07.04.2015	Colombia: Inflation in June stood at 4.4% YoY
07.03.2015	Mexico: Industrial production could decrease 0.3

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