

## LatAm Daily | Peruvian GDP growth surprises to the upside in June

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*GDP expanded 3.9% YoY, beating consensus, due to primary sectors. Otherwise, the non-primary sector, which better tracks the performance of domestic demand, grew 3.3%. We expect GDP growth of around 3% in 2H15. Colombian BanRep's minutes were released, and the Board decided, in a split three way call, to maintain rates on hold, revealing disagreement among the members of the committee.*

### Colombia - BanRep's minutes

The Central Bank of Colombia released the minutes for July's meeting. In July, BanRep's Board decided in a split decision to keep its monetary policy rate on hold. According to the minutes there were three groups with different assessments regarding the the balance of risk trade-off. The first group displayed a relatively neutral stance; the second group a dovish stance, highlighting that hiking the interest rate would be inappropriate since the increase in inflation is temporary in nature; and the third group was hawkish, mentioning that a hike in the monetary policy rate could reinforce credibility, contain depreciation and ease the pressures on the current account. This group also mentioned that a "lower monetary stimulus of 2 bp should not have an excessive additional impact on the slowdown of the economy and employment".

### Peru - Output growth surprised positively in June

Economic activity advanced 3.9% in June, more than expected by the market (consensus: 3.1%). Once again the contribution of primary sectors was the highlight, mainly metal mining (14.2%) and agriculture (8.1%) . Also, the non-primary component of the product, whose behaviour more closely reflects the performance of domestic demand, registered growth of 3.3%, the highest rate YtD, due to better performance of the trade sector, services and non-primary manufacturing. With the June result, activity in the second quarter grew somewhat above 3.0% and 2.4% in the first half. We anticipate that from August the expansion will gradually increase, and hence growth in the second half should be closer to 3.0%, half a percentage point more than in the first half.

## Calendar indicators

	Date	Period	Consensus	BBVAe	Actual	Prior
<b>Brazil</b>						
Formal Job Creation Total	14 August - 21 August	Jul	-113,950		--	-111,199
CNI Industrial Confidence	19 August	Aug	--		--	37.2
Unemployment Rate	20 August	Jul	7.0%		--	6.9%
IBGE Inflation IPCA-15 MoM	21 August	Aug	0.45%		--	0.59%
<b>Chile</b>						
GDP YoY	18 August	2Q	1.70%	1.70%	--	2.40%
GDP QoQ	18 August	2Q	-0.18%	-0.10%	--	1.00%
Current Account Balance	18 August	2Q	--	\$450M	--	\$1,203M
<b>Colombia</b>						
Consumer Confidence Index	19 August	Jul	--	12	--	14.7
Trade Balance	21 August	Jun	--	-\$833M	--	-\$870.9M
Imports CIF Total	21 August	Jun	--	\$4,233M	--	\$4,439.6M
Overnight Lending Rate	21 August	Aug 21	4.50%	0.045	--	4.50%
<b>Mexico</b>						
Economic Activity IGAE YoY	20 August	Jun	--	2.30%	--	1.51%
GDP SA QoQ	20 August	2Q	--	0.40%	--	0.4%
Retail Sales YoY	21 August	Jun	--		--	4.1%
Retail Sales MoM	21 August	Jun	--		--	0.2%

Source: Bloomberg and BBVA Research

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