

LatAm Daily | Mexican oil exports fell 36.8% YoY in July

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Today we will look at the publication of 2Q15 GDP in Brazil, where we estimate a contraction of 1.4% QoQ. Today we also expect the minutes of the last monetary policy meeting in Chile, where the neutral bias for the policy rate will be reinforced.

Mexico - July's trade deficit amounted to USD2,267mn

Mexico's trade deficit came in above expectations (USD1,590mn BBVAe; USD1,327mn consensus), and it shows that the annual growth rate of non-oil exports (1.3%) failed to offset the decline in oil exports (-36.8%) in that month. On the other hand, the annual growth rate of total imports in July was a moderate 1.1%. This figure also suggests the need for more dynamic growth of non-oil exports to compensate for the growth of total imports.

What to watch today

Brazil - GDP QoQ (2Q15, 02:00 pm NYT)

We expect 2Q15 GDP to have contracted 1.4% QoQ. The deterioration of confidence indicators, already at very low levels, and labour markets are some of the drags behind this contraction. On the other hand, external factors such as China's slowdown has had a negative impact on the economy.

Chile - Monetary policy minutes (August, 07:30hrs NYT)

August' monetary policy minutes should show concerns about annual inflation figures above 4%, but particularly regarding the risk of a persistent exchange-rate depreciation -due to Fed tapering, and expectations of a sharper slowdown in China. Also, the assessment of growth should reflect concerns over slack in both domestic and external demand. In this context, the neutral bias for policy rates will be reinforced.

Calendar indicators

	Date	Period	Consensus	BBVAe	Actual	Prior
Brazil						
FGV CPI IPC-S	24-Aug	Aug	--		0.27	0.36%
FGV Consumer Confidence	25-Aug	Aug	--		80.6	82.0
National Unemployment Rate	25-Aug	Jun	8.2		8.3	8.10%
Current Account Balance	25-Aug	Jul	--		-6162.99	-\$2547M
Foreign Direct Investment	26-Aug	Jul	--		5993.8	\$5398M
Total Outstanding Loans	27-Aug	Jul	--		3110.762	3102B
Central Govt Budget Balance	27-Aug	Jul	--		-7.224	-8.2B
CNI Consumer Confidence	28-Aug	Aug	--		98.9	97.9
FGV Inflation IGPM MoM	28-Aug	Aug	--		0	0.69%
GDP QoQ	28-Aug	2Q	-1.8	-1.4	--	-0.20%
Primary Budget Balance	28-Aug	Jul	--		--	-9.3B
Nominal Budget Balance	28-Aug	Jul	--		--	-36.3B
Net Debt % GDP	28-Aug	Jul	--		--	34.50%
Chile						
Central Bank's Traders Survey	26-Aug		0		--	0.00%
Central Bank Meeting Minutes	28-Aug		0		--	0.00%
Colombia						
Retail Confidence	24-Aug	Jul	--	13	18.2	20.6
Industrial Confidence	24-Aug	Jul	--	3	0.1	0.1
Mexico						
Bi-Weekly CPI	24-Aug	Aug 15	0.17	0.15	0.12	0.08%
Bi-Weekly Core CPI	24-Aug	Aug 15	0.13	0.13	0.12	0.06%
Bi-Weekly CPI YoY	24-Aug	Aug 15	2.69	2.67	2.64	2.72%
Current Account Balance	25-Aug	2Q	--		-7980.09	-\$9446M
Trade Balance	27-Aug	Jul	-1327	-1590	-2266.88	-749.0M
Unemployment Rate NSA	28-Aug	Jul	--		--	4.41%
Unemployment Rate SA	28-Aug	Jul	--		--	4.39%
Budget Balance YTD	28-Aug	Jul	--		--	-345.0B

Fuente: BBVA Research

Most recent Latam reports

Date	Description
08.25.2015	Chile: And if there were a central bank intervention, what form would it take?
08.24.2015	Chile: We expect inflation to grow 0.4% MoM in August
08.21.2015	Colombia: BanRep kept rates on hold on a majority vote
08.21.2015	Mexico: Exchange rate at all-time highs
08.20.2015	Mexico: GDP growth increased in 2Q15 slightly above than expected, 2.2% annual
08.19.2015	Mexico Economic Outlook
08.18.2015	Chile: Figures in national accounts in 2Q15 confirm slower activity
08.15.2015	Peru: GDP growth surprises positively
08.15.2015	Mexico: We expect the GDP to have grown 2% YoY in 2Q15
08.14.2015	Peru: CB raises concerns around inflation
08.13.2015	Chile: CB keeps MPR at 3% and expects inflation high
08.13.2015	Chile: With little room: public expenditure growth in 2016 around 4,6%
08.13.2015	Brazil Economic Outlook (Presentation)
08.13.2015	Brazil Economic Outlook
08.09.2015	LatAm Economic Outlook (Presentation)
08.09.2015	LatAm Economic Outlook
08.06.2015	Colombia Economic Outlook (Presentation)

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