

## LatAm Daily | Mexican investment grew 8.6% YoY in June driven by machinery and equipment

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*In the coming days, we will be watching the minutes of the Colombian Central Bank's discussion during the last August MP meeting, where BanRep decided by majority to keep the MPR unchanged. Also we will see the evolution of exports and inflation in July, with important negative effects due to oil prices in the former and some effect of pass-through on prices in the latter.*

### Mexico - In June the annual growth rate of gross fixed investment was 8.6%

June's annual growth rate of fixed investment was above what both we and the market expected (6.5%). The main drive of this annual growth rate was investment in machinery and equipment (22.1%); while the growth of investment in construction was much lower (0.6%). Note that the performance in June of investment in machinery and equipment was exceptional and will be difficult to reproduce in the near future.

## What to watch today

### Colombia - August Inflation (July, 13:00hrs NYT)

We expect inflation to increase 0.27% MoM (Bloomberg: 0.20%), which would leave the annual inflation rate at 4.53%, slightly above June's figure of 4.46%. Food prices, gas tariffs, and the pass-through of the exchange rate on some items, such as vehicles, home appliances and medicines, should be the main drivers of the monthly variation.

### Colombia - BanRep's Minutes (August, 14:00hrs NYT)

In August meeting, BanRep's Board kept its monetary policy rate unchanged in a split decision. During the press conference, the Central Bank's Managing Director, José Darío Uribe, mentioned that the decision was taken by majority, adding that the details regarding the Board discussion will be presented in the Minutes.

### Colombia - Exports (July, 17:00hrs NYT)

We expect exports to have fallen by 38.6% YoY, settling at USD3,099mn. During the month, the oil prices were at new lows, which limited the recovery of value of shipments despite of the good internal production.

## Calendar indicators

	Date	Period	Consensus	BBVAe	Actual	Prior
<b>Brazil</b>						
GDP QoQ	28-Aug	2Q	-1.800		-1.90	-0.20%
FGV CPI IPC-S	1-Sep	Aug 31			0.22	0.27%
Trade Balance Monthly	1-Sep	Aug			2689.00	\$2379M
CNI Capacity Utilization (SA)	1-Sep	Jul			78.60	80.1%
Industrial Production MoM	2-Sep	Jul	-0.1	-0.30	-1.50	-0.30%
Selic Rate	2-Sep	37500	14.25	14.25	14.25	14.25%
FIPE CPI - Monthly	3-Sep	Aug	0.55		0.56	0.85%
FGV Inflation IGP-DI MoM	4-Sep	Aug	0.32		--	0.58%
<b>Chile</b>						
Unemployment Rate	31-Aug	Jul		6.50	6.6	6.50%
Manufacturing Production YoY	31-Aug	Jul		2.50	0.72	1.70%
Retail Sales YoY	31-Aug	Jul		3.40	2.9	4.10%
Industrial Production YoY	31-Aug	Jul		--	-1.68	1.60%
<b>Colombia</b>						
Urban Unemployment Rate	31-Aug	Jul		9.70	9.01	9.70%
National Unemployment Rate	31-Aug	Jul			8.84	8.20%
Colombia Monetary Policy Minutes	4-Sep	--			0	--
Exports FOB	4-Sep	Jul	3290	\$3,099.00	--	\$3218.1
CPI YoY	5-Sep	Aug	4.45	4.53	--	4.46%
CPI MoM	5-Sep	Aug	0.20	0.27	--	0.19%
CPI Core YoY	5-Sep	Aug		4.09	--	3.98%
CPI Core MoM	5-Sep	Aug		0.25	--	0.32%
<b>Mexico</b>						
Net Outstanding Loans	31-Aug	Jul			2859.2	2832B
Remittances Total	1-Sep	Jul		2083	2231.8	\$2168.3M
IMEF Manufacturing Index SA	1-Sep	Aug			51.794	52.7
IMEF Non-Manufacturing Index SA	1-Sep	Aug			49.489	51.3
Vehicle Domestic Sales AMIA	1-Sep	Aug			110928	111,714
Leading Indicators (MoM)	2-Sep	Aug			-0.09	-0.05
Gross Fixed Investment	3-Sep	Jun	6.5	6.5	8.6	2.30%
<b>Peru</b>						
CPI YoY	1-Sep	Aug		3.92		3.56%
CPI MoM	1-Sep	Aug		0.26	4.04	0.45%
Consumer Confidence Index	4-Sep	Aug			0.38	92.2

Source: Bloomberg and BBVA Research

## Most recent Latam reports

Date	Description
09.02.2015	<a href="#">Mexico: Private sector credit increased 10.7% in July</a>
09.01.2015	<a href="#">Peru: Inflation continued to accelerate in August</a>
09.01.2015	<a href="#">Chile: Public expenditure increased by 8.9% in July</a>
09.01.2015	<a href="#">Mexico: Remittances reached the highest growth rate of the year in July (11.7%)</a>
08.31.2015	<a href="#">Chile: Transitory factors could lead the IMACEC below 2% in July</a>
08.31.2015	<a href="#">Chile: Investment in non-mining exporting sectors</a>
08.28.2015	<a href="#">Peru: Private expenditures maintained fragile in 2Q15</a>
08.28.2015	<a href="#">Chile: MPR Minutes CB considers sorpresive option of rise in MPR</a>
08.25.2015	<a href="#">Chile: And if there were a central bank intervention, what form would it take?</a>
08.24.2015	<a href="#">Chile: We expect inflation to grow 0.4% MoM in August</a>
08.21.2015	<a href="#">Colombia: BanRep kept rates on hold on a majority vote</a>
08.21.2015	<a href="#">Mexico: Exchange rate at all-time highs</a>
08.20.2015	<a href="#">Mexico: GDP growth increased in 2Q15 slightly above than expected, 2.2% annual</a>

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