

LatAm Daily | In Mexico the IGAE increased above expectations in August

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The economic activity index grew above our expectations due to high rates of growth in agriculture and livestock and positive surprises in the services sector. The BCB's credit market report will be released today in Brazil, where we expect the credit stock to be basically stable in real terms.

Mexico - August's Monthly Index of Economic Activity (IGAE) grew 0.5% MoM, sa

August's IGAE grew above expectations. We had estimated a monthly growth rate of 0.2% in the IGAE, in line with the market consensus, and in the end the observed growth rate was 0.5%. The factors behind this favourable performance were an extremely high monthly rate of growth of Agriculture and Livestock of 6.6%, and a better than expected monthly rate of growth of 0.45% of the services sector. In annual terms IGAE's rate of growth was 2.8%, higher than the 2.2% rate registered in the previous month.

What to watch today

Brazil - Credit markets report (September, 8:30hrs NYT)

We expect the BCB's credit markets report to show that the credit stock is basically stable in real terms, mainly due to the slowdown in credit from private banks. Moreover, we would not be surprised by new signs of an increase in default rates.

Calendar indicators

	Date	Period	Consensus	BBVAe	Actual	Prior
Brazil						
FGV Consumer Confidence	26-Oct	Oct			75.7	76.3
Outstanding Loans MoM	27-Oct	Sep				0.70%
CNI Consumer Confidence	28-Oct	Oct				96.3
FGV Inflation IGPM MoM	29-Oct	Oct	1.91%			0.95%
COPOM Monetary Policy Meeting Minutes	29-Oct					0
National Unemployment Rate	29-Oct	Aug	8.70%			8.60%
Central Govt Budget Balance	29-Oct	Sep	-14			-5.1b
Net Debt % GDP	30-Oct	Sep	33.30%			33.70%
Chile						
Central Bank's Traders Survey	28-Oct					
Manufacturing Production YoY	29-Oct	Sep	-1%			-1.40%
Retail Sales YoY	29-Oct	Sep	3.35%			1.90%
Copper Production Total	29-Oct	Sep				443285
Industrial Production YoY	29-Oct	Sep	-0.79%			-5.20%
Central Bank Meeting Minutes	30-Oct					
Unemployment Rate	30-Oct	Sep	6.60%			6.50%
Colombia						
Urban Unemployment Rate	30-Oct	Sep	9.70%	9.70%		9.90%
National Unemployment Rate	30-Oct	Sep				9.10%
Overnight Lending Rate	30-Oct	Oct	5.00%	5.00%		4.75%
Mexico						
Economic Activity IGAE YoY	26-Oct	Aug	2.40%	2.40%	2.58%	1.95%
Trade Balance	27-Oct	Sep	-1404.16	-1500		-2800.5m
Overnight Rate	29-Oct	Oct	3.00%			3.00%

Fuente: BBVA Research

Most recent Latam reports

Date	Description
10.26.2015	Mexico: In August the annual growth rate of the IGAE was 2.8%, higher than July (2.2%)
10.26.2015	Mexico: We estimate that the economy will have grown around 2.4% annually in Aug.
10.26.2015	Chile: October CPI projected to be 0.24% MoM (3.8% YoY) (In Spanish)
10.22.2015	LatAm: Has exchange rate pass-through to prices increased in Latin America?
10.22.2015	Mexico: Bank deposits, dynamism driven by its two components
10.16.2015	Mexico: Weak US industrial prod. suggests that moderation in Mexico will continue
10.16.2015	Peru: Unsurprisingly, the central bank kept the policy rate at 3,50%
10.15.2015	Chile: Central bank increases the MPR to 3.25%, maintaining the contractionary bias (In Spanish)
10.15.2015	Peru: GDP growth in August was lower than expected (In Spanish)
10.14.2015	Chile: Complicated monetary policy decision (In Spanish)
10.12.2015	Peru: Transpacific agreement benefits still pose implementation challenges (In Spanish)
10.08.2015	Chile: CPI increased 0.5% MoM in September, below consensus expectations
10.07.2015	Brazil: Inflation: stable at high levels and ready to move further up

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