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Latam Weekly: Chile in the Spotlight, Peru CPI, Mexican Politics and Banxico Releases

ECONOMIC OVERVIEW

- In our Latam sphere, Chile's calendar presents a trove of important releases ahead of the BCCh's policy announcement on the 19th, while the single most important development for global sentiment will be the possible conclusion of US debt ceiling negotiations.
- Brazil, Colombia, and Mexico also publish unemployment figures next week, all seen higher, and Brazilian Q1 GDP is forecast to show a strong start to the year—though trouble likely lies ahead to eventually prompt BCB rate cuts.
- In Mexico, non-data developments may play a bigger role. Banxico's quarterly report and meeting minutes will help to refine expectations on when the first rate cut may come. Edomex and Coahuila's gubernatorial elections next Sunday are also key in shaping the 2024 presidential contest outlook.
- Peru's key data calendar has a single release next week—but it's an important release. On Thursday, May inflation data is seen decelerating in annual and monthly terms. The decline will likely be too small, however, to prompt BCRP cuts soon.

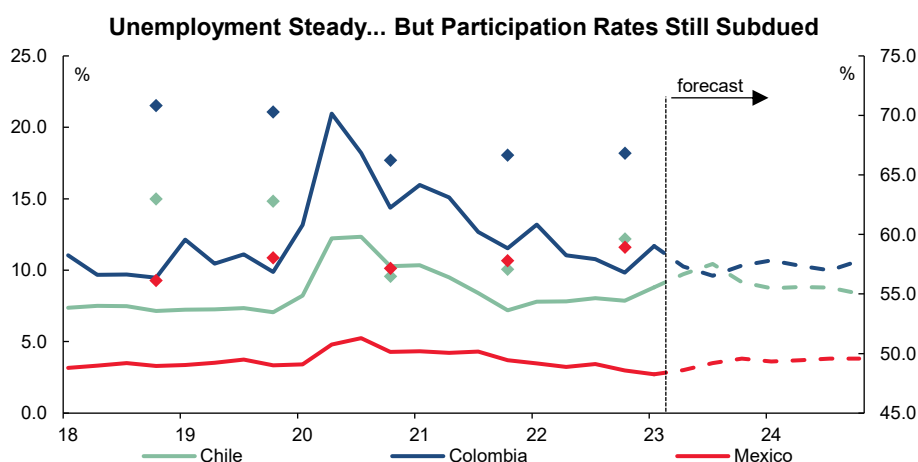
PACIFIC ALLIANCE COUNTRY UPDATES

- We assess key insights from the last week, with highlights on the main issues to watch over the coming fortnight in the Pacific Alliance countries: Chile, Mexico and Peru.

MARKET EVENTS & INDICATORS

- A comprehensive risk calendar with selected highlights for the period May 27–June 9 across the Pacific Alliance countries and Brazil.

Chart of the Week



*Lines show unemployment rates (LHS). Markers show annual labour force participation rates (avg %) (RHS)
Sources: Scotiabank Economics, INEGI, INEI, DANE.

Chart of the Week: Prepared by: Anthony Bambokian, Economic Analyst.

Economic Overview: Chile in the Spotlight, Peru CPI, Mexican Politics and Banxico Releases

- **In our Latam sphere, Chile's calendar presents a trove of important releases ahead of the BCCh's policy announcement on the 19th, while the single most important development for global sentiment will be the possible conclusion of US debt ceiling negotiations.**
- **Brazil, Colombia, and Mexico also publish unemployment figures next week, all seen higher, and Brazilian Q1 GDP is forecast to show a strong start to the year—though trouble likely lies ahead to eventually prompt BCB rate cuts.**
- **In Mexico, non-data developments may play a bigger role. Banxico's quarterly report and meeting minutes will help to refine expectations on when the first rate cut may come. Edomex and Coahuila's gubernatorial elections next Sunday are also key in shaping the 2024 presidential contest outlook.**
- **Peru's key data calendar has a single release next week—but it's an important release. On Thursday, May inflation data is seen decelerating in annual and monthly terms. The decline will likely be too small, however, to prompt BCRP cuts soon.**

It's Chile's world and we're just living in it. For the next few days, at least. And this world is locker C-18 at Grand Central Terminal when it comes to market drivers next week. The single most important development to drive global, and thus regional, sentiment will be the possible conclusion of US debt ceiling negotiations that have kept traders on edge over the past few weeks.

At writing, on Friday, there are reasons to be cautiously optimistic about US markets opening on Tuesday (after the country's long weekend) to the outlines of a debt ceiling extension bill—or an actual bill—to be voted on before the government runs out of cash and exhausts extraordinary measures sometime in June. But, we warn that there is a risk that more 'fringe' factions in each of the two parties refuse to back what is agreed over the weekend. These market worries go to eleven.

In our Latam sphere, Chile's calendar presents a trove of important releases ahead of the BCCh's policy announcement on the 19th. We start the week with the minutes to the May 12 meeting to give us a read on the bank's appetite to cut rates in June—as we expect. This is followed by April unemployment data on Tuesday, industrial/manufacturing/copper production and retail sales data on Wednesday alongside the results of the BCCh's traders' survey, and ending with April monthly GDP (economic activity index) on Thursday. See our Chile section for details on what our economists in Santiago expect, but the overall message is that this will be quite a negative collection of prints—plan accordingly.

Brazil, Colombia, and Mexico also publish unemployment figures next week for April, and all three are expected to come in higher when compared to March levels. However, this would still be in line with seasonal increases in Colombia and Mexico. It is more worrying in the case of Brazil as April usually sees a slight decline from the March peaks. Nevertheless, at around 9% compared to ~12% pre-pandemic, it still looks good, and Thursday's Q1-GDP that is expected to come in at 1.1% q/q and 2.7% y/y (from -0.2% and 1.9% in Q4) may check some of the recent building of bets on BCB cuts in Q3-23. Brazilian data are expected to turn over the next few months and will combine with the slowing in inflation to motivate the BCB to finally reduce rates towards the low-to-mid 12% area at year-end.

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May 26, 2023

In Mexico, it will likely be non-data developments that play a bigger role. Banxico's updated forecasts in its quarterly report out on Wednesday will be watched for guidance on when the bank may end its extended hold on the basis of its inflation outlook and commentary. The following day's meeting minutes will also present the usual collection of views from officials to help us in timing the first rate cut (we currently project a 25bps cut in Q4-23). Political developments are also a key driver of sentiment in Mexican markets, and will remain so next week, as covered in today's report in the Mexico section. Rail line and small airport disputes, canceled bank sales, and the upcoming Coahuila and Edomex gubernatorial elections will require close attention.

Peru's key data calendar has a single release next week—but it's an important release. On Thursday, May inflation data is seen decelerating in annual and monthly terms. Unfortunately, these will be but marginally lower prints, but at least once we round to the nearest full decimal the country's inflation rate will fall from 8.0% to 7.9%. Our Lima economists go over their expectations for the print, while noting that progress made in inflation is not yet enough to trigger the start of rate cuts from the BCRP.

Aside from debt ceiling news, global markets have Eurozone inflation, US jobs and ISM data, Canadian Q1-GDP, and Chinese PMIs, among other releases, to 'look forward to' next week.

Pacific Alliance Country Updates

Chile—April GDP Could be the First Negative Surprise in Economic Activity for the Central Bank's Baseline Scenario

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On Tuesday, May 30, the statistical agency (INE) will publish unemployment rate data for the quarter ending in April. We project an increase in this indicator with respect to the previous three-month moving average—up to 9%—due to a strong growth in the labour force in relation to our expectation for employment growth. On jobs growth, we foresee that both public and private salaried employment will continue to show less dynamism than in previous quarters. This is mainly the case in the private sector which is losing employment due to the deterioration of labour-intensive economic sectors. We compare the INE figures with the unemployment insurance data for private salaried employment (contributors), which confirm the slowdown in job creation. In fact, with data as of January 2023, we see job losses at the margin (chart 1), which we believe would have continued in the following months. In our view, the outlook for the labour market is negative for the coming months, and would affect the dynamism of economic activity indicators, mainly private consumption, and trade.

We project a 13% y/y decline in retail sales, explained by year-over-year contractions in all economic sectors except tourism, which is growing compared to last year. Based on our short-term indicators of debit card purchases (chart 2), we observe a sharp decline in demand for durable goods in April and a slowdown in purchases of semi-durable goods. Services, on the other hand, showed stabilization at low levels.

Regarding economic activity, we anticipate a 1.2% y/y contraction in GDP in April. According to our estimates, activity in trade, industry and mining will decrease compared to last year, while services would partially offset the contraction in those economic sectors, showing a slight increase on a year-on-year basis. Compared to last month, GDP would decrease by 0.7% in April, mainly due to a fall in non-mining GDP. All in all, April GDP could be the first negative surprise in economic activity in relation to the BCCh's baseline scenario.

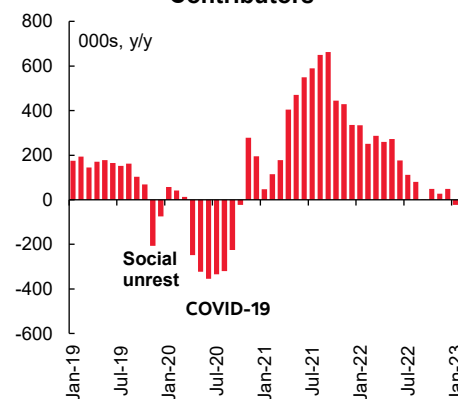
Mexico—Eventful Week in Mexican Politics

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The past week was a rollercoaster in Mexican business and politics. It featured the government taking possession of a Ferrosur railway (details are still emerging, but [different media outlets have spoken about compensation through right of way payments, or outright compensation](#)), the [end of a concession for a small private jet airport in Monterrey](#), and Citibank abandoned the planned sale of its Mexican arm, Banamex, after the group led by [by German Larrea](#) (the main owner of the aforementioned railway) dropped its bid. In addition, a unified opposition candidacy for the 2024 presidential election took a hit, following [tensions between 2 of the 3 main opposition parties](#), the PRI, which currently governs the country's most populous state Edomex (where elections are held in early-June below), and the MC party, which governs the important states of Nuevo Leon and Jalisco.

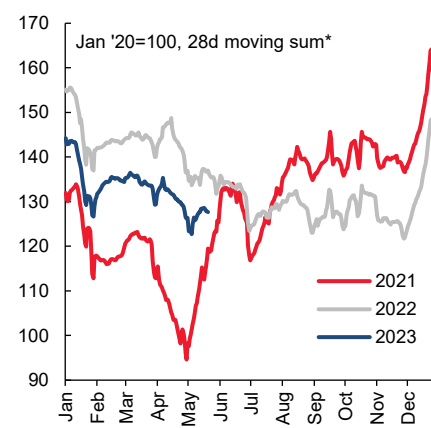
Despite the rail line and airport news, and the cancelled sale of Banamex, Mexican markets experienced what may be referred to as relatively modest volatility (particularly in fixed income and FX markets). We believe part of the relatively contained market response is due to the view that the turmoil is focused on specific markets or industries and is unlikely to affect key sectors such as tourism and manufacturing.

Chart 1 Chile: Unemployment Insurance Contributors



Sources: Scotiabank Economics, Pension Supervisor.

Chart 2 Chile: Purchases With Debit Cards



*up to May 15 '23
 Source: Scotiabank Economics.

In addition, we've entered the final stretch of the electoral contests for the states of Coahuila and Estado de Mexico, with the latter being the last core bastion of the PRI party, as well as the country's most populous state, counting 17 million inhabitants.

Recent polls suggest the opposition will lose one of its key remaining bastions in Edomex, as [recent polls put Morena-PT-Green Party candidate](#) Delfina Gomez about 10-15 points ahead of opposition (PRI-PAN-PRD) candidate Alejandra del Moral. For many, the State of Mexico election is somewhat of a wedding rehearsal for the presidential elections next year. The State of Mexico has many key elements that could impact the 2024 presidential contest, although several of them are still uncertain:

- The State of Mexico is very large in population (around 17mn), but relatively low in income per capita (MXN130k vs MXN400k in Mexico City, and MXN350k in Nuevo Leon). Many see it as a key platform for parties that see social programs as electoral tools.
- [Polls suggest](#) that the majority of voters who receive social programs vote for Morena (although we haven't found polls on this issue more recent than from summer of 2022).
- In addition, there is speculation on why the MC party did not put forward Juan Zepeda as their candidate, as many see his no-show as a big boost to Morena's odds to claim the governorship (Zepeda's voter base was seen as eroding Delfina Gomez votes in lower income suburbs of Mexico City, that are part of Edomex). In turn, there is speculation that this move from the MC party signals the party won't cooperate with the rest of the opposition in the 2024 presidential election, leading to a steep uphill battle for the opposition to regain the presidency in 2024.

State	MXN	State	MXN
Campeche	520,700	Sinaloa	185,518
CDMX	401,923	Guanajuato	166,902
Nuevo Leon	348,654	Durango	164,356
Sonora	302,711	Yucatan	162,381
Coahuila	286,580	Zacatecas	144,594
Baja California Sur	266,533	Nayarit	140,788
Tabasco	246,799	Veracruz	133,410
Baja California	244,949	Morelos	131,188
Chihuahua	234,809	EdoMex	130,233
Queretaro	234,298	Hidalgo	126,100
Aguascalientes	223,306	Michoacan	125,597
Jalisco	210,794	Puebla	115,415
Tamaulipas	203,412	Tlaxcala	101,459
San Luis Potosi	199,331	Oaxaca	95,421
Colima	199,320	Guerrero	93,467
National	192,244	Chiapas	68,405
Quintana Roo	190,230		

Sources: Scotiabank Economics, INEGI.

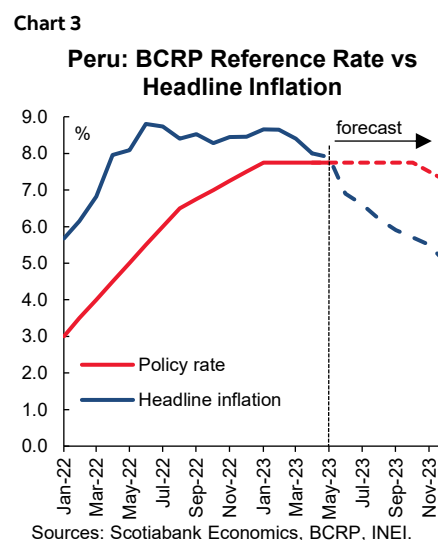
Peru—Key Data Points to a Marginally Lower Inflation in May

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On Thursday, June 1, inflation data for May will be released. The key prices data that we follow suggest a monthly inflation rate of 0.34% in data to May 23 (down from 0.40% on May 9). This compares to the 0.38% increase in May 2022. In a word, inflation in May this year is looking very similar to May last year, and year-on-year inflation should not move very much from the 7.97% reading for April. If monthly inflation for May comes in at 0.34%, that would bring y/y inflation to 7.92%. Rounding to the nearest decimal, inflation would decline from 8.0% to 7.9%. But we're splitting hairs as the difference would be marginal. The broader picture is, first, that inflation is likely to remain stable in May, and second, that inflation is likely to sit just below 8% for a second consecutive month.

Due to base comparisons with 2022, we continue to expect a sharper decline in inflation in June–July, with a more moderate decrease, thereafter, reaching our full-year forecast of 5.0% at year-end.

The marginal improvement we expect for May would not be nearly enough for the BCRP to begin to lower rates. Adding to this, BCRP president Julio Velarde stated earlier this week that inflation was proving stickier than expected, which suggests that the BCRP will need stronger evidence for it to build up the conviction it needs to begin to consider reducing its reference rate (chart 3). Given this, we feel comfortable with our expectation that the BCRP will not reduce rates until Q4, and then only by 50 bps, to close the year at 7.25%.



Forecast Updates: Central Bank Policy Rates and Outlook

Latam Central Banks: Policy Rates and Outlook

	Next Scheduled Meeting			Market Pricing		BNS Forecast		BNS guidance for next monetary policy meeting	
	Current	Date	Market	BNS	12 mos	24 mos	End-2023		End-2024
Brazil, BCB, Selic	13.75%	Jun-21	n.a.	13.75%	n.a.	n.a.	12.50%	10.00%	
Chile, BCCh, TPM	11.25%	Jun-19	n.a.	11.00%	n.a.	n.a.	7.50%	3.75%	We recognize that the BCCh has maintained a hawkish view and will likely keep the benchmark rate at its current level until it sees downside surprises in CPI inflation prints. We project the benchmark rate to be 7.50% through to December 2023.
Colombia, BanRep, TII	13.25%	June-30	n.a.	13.25%	n.a.	n.a.	12.25%	5.75%	In April's meeting, BanRep decided to continue with the hiking cycle, waiting for a more robust signal that inflation will start to converge to the target. We believe that in May and June, incoming data will support the scenario for rate stability. We expect inflation to confirm it has reached its peak, while economic activity shows that the slowdown continues.
Mexico, Banxico, TO	11.25%	Jun-22	n.a.	11.25%	n.a.	n.a.	11.00%	8.25%	As was expected, Banxico ended the hiking cycle at 11.25%. Inflation expectations have remained stable, but the balance of risks is still biased to the upside. The debate will now be centered on the when Banxico will start the cuts cycle. For now, we think Banxico won't cut until the December meeting, but our outlook remains subject to inflation trajectory, especially on its core components, as well as the development of events in the international banking system.
Peru, BCRP, TIR	7.75%	Jun-08	n.a.	7.75%	n.a.	n.a.	7.25%	5.25%	The BCRP will maintain its monetary pause stance in June for the fifth consecutive month. Headline inflation will remain high, without visible signs to suggest a rate cut yet.

Sources: Scotiabank Economics, Scotiabank GBM, Bloomberg.

Key Economic Charts

Chart 1

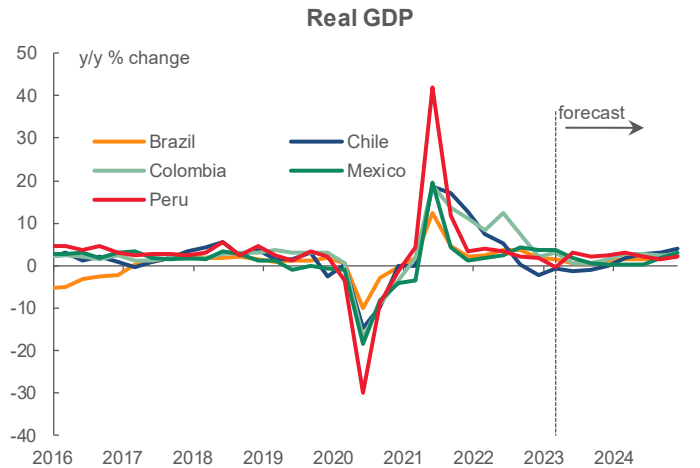


Chart 2

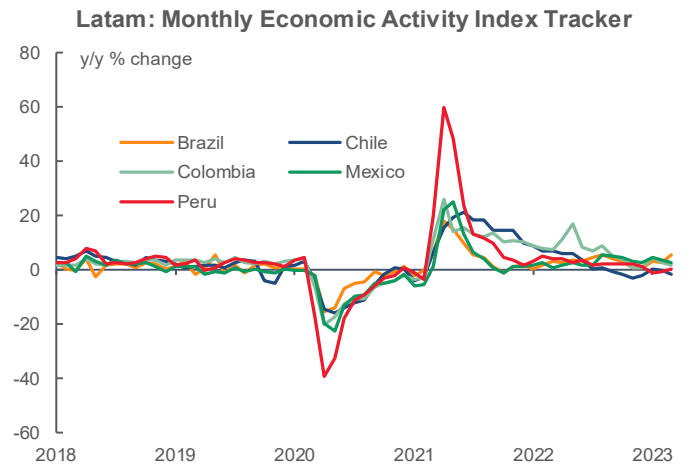


Chart 3

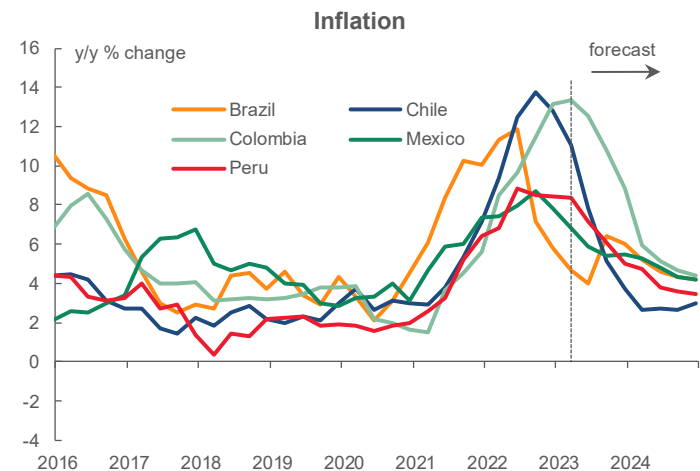


Chart 4

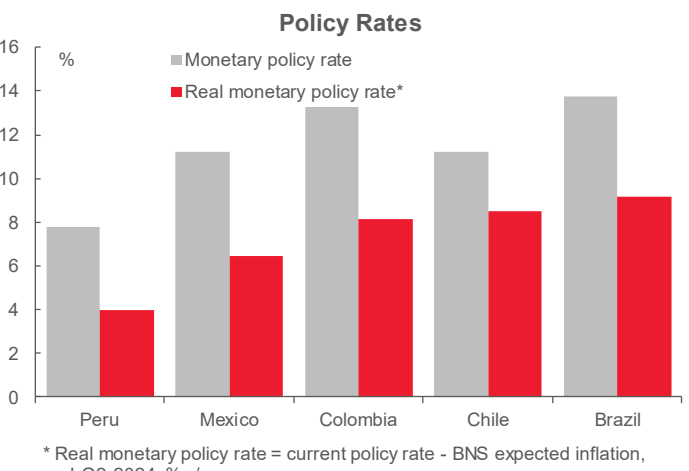
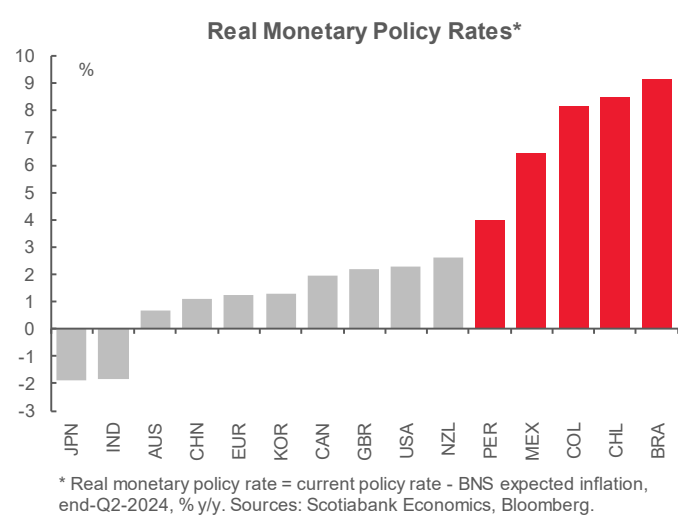


Chart 5



Key Market Charts

Chart 1

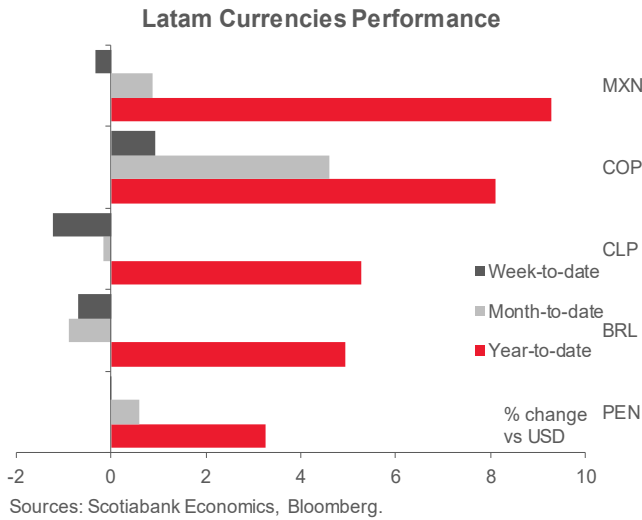


Chart 2

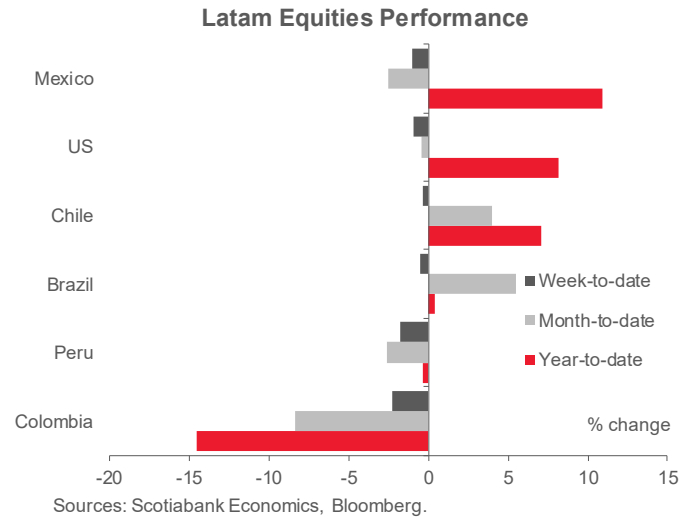


Chart 3

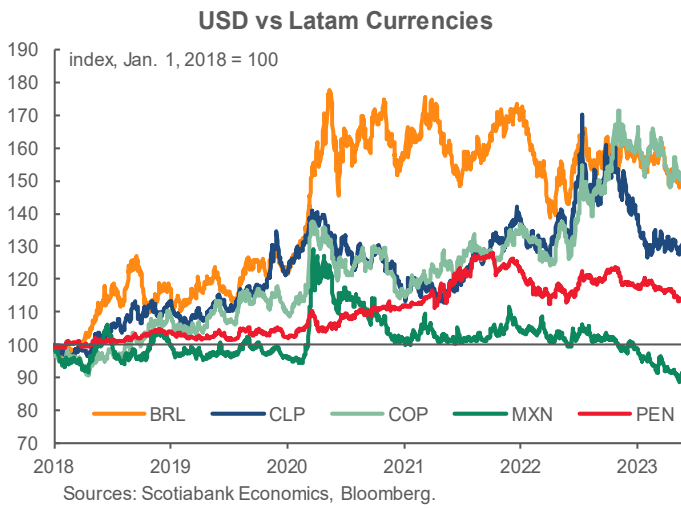
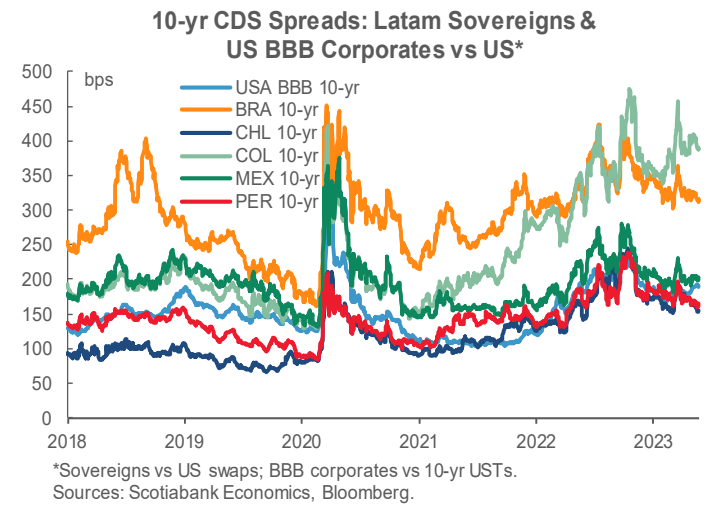
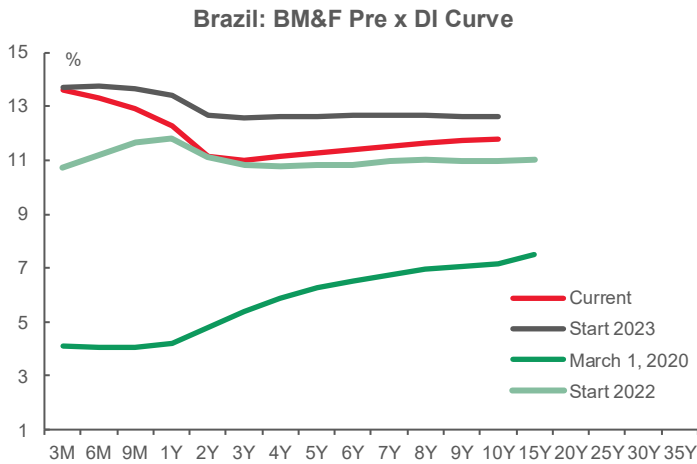


Chart 4



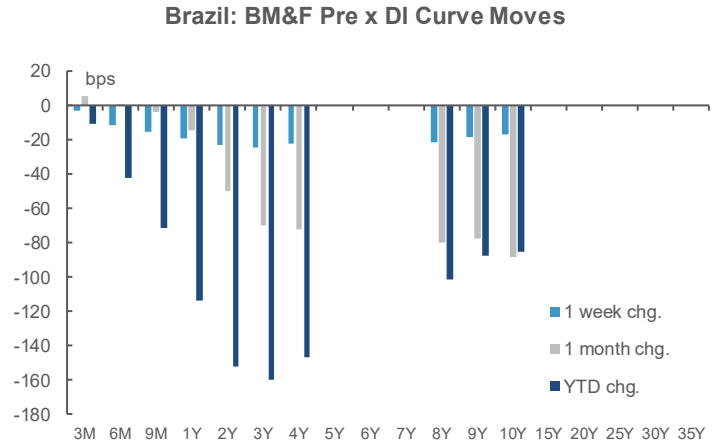
Yield Curves

Chart 1



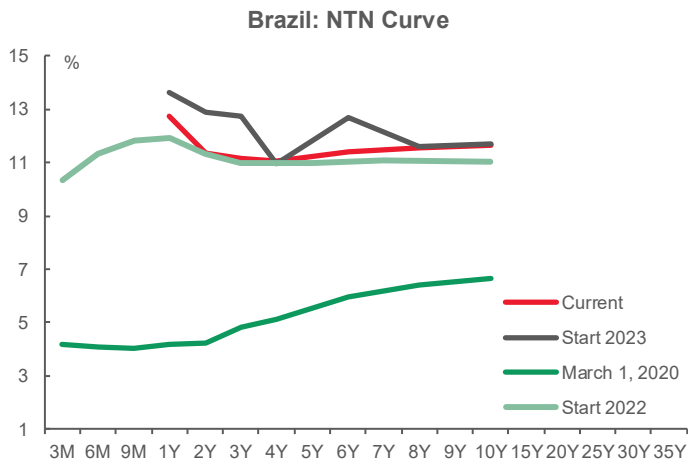
Sources: Scotiabank Economics, Bloomberg.

Chart 2



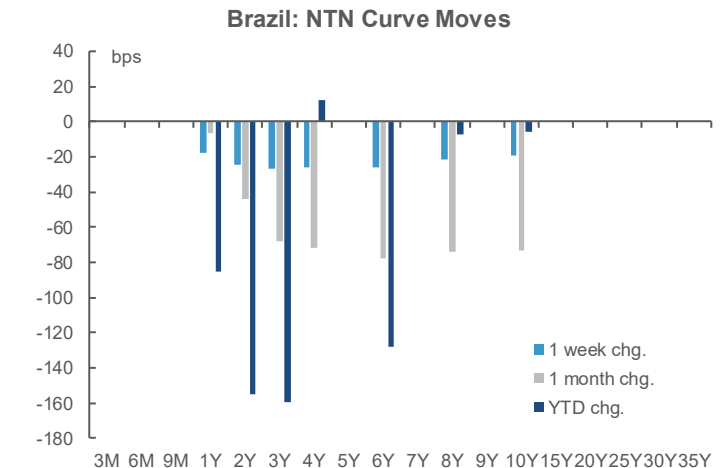
Sources: Scotiabank Economics, Bloomberg.

Chart 3



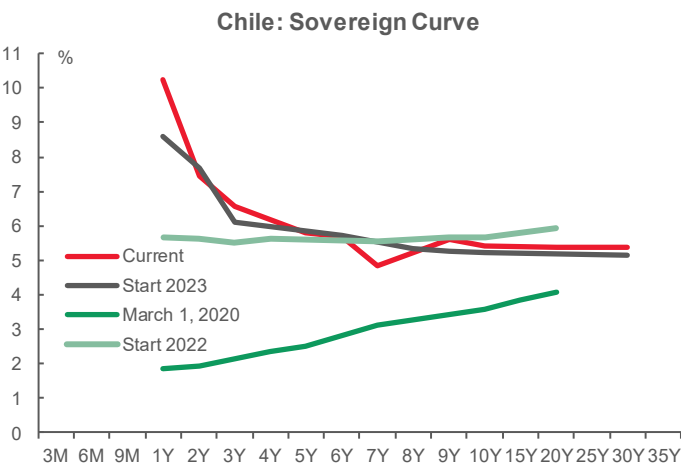
Sources: Scotiabank Economics, Bloomberg.

Chart 4



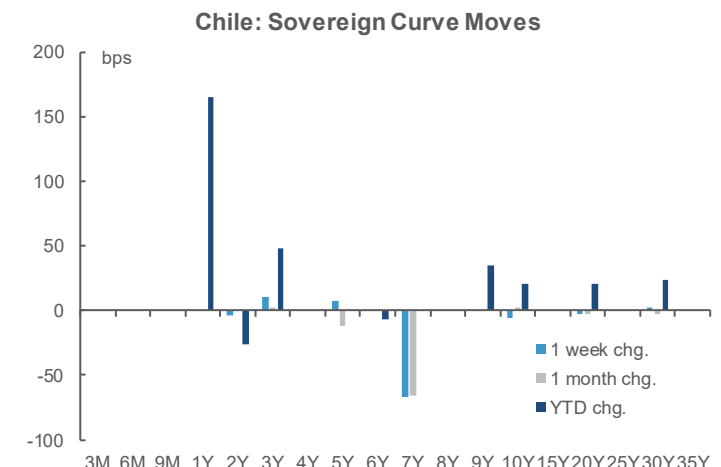
Sources: Scotiabank Economics, Bloomberg.

Chart 5



Sources: Scotiabank Economics, Bloomberg.

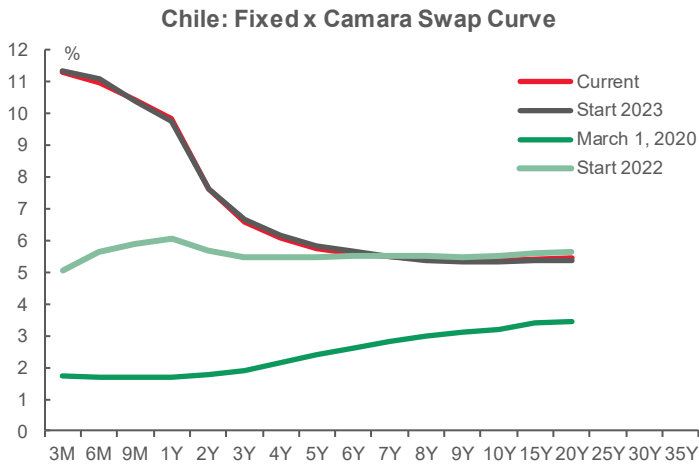
Chart 6



Sources: Scotiabank Economics, Bloomberg.

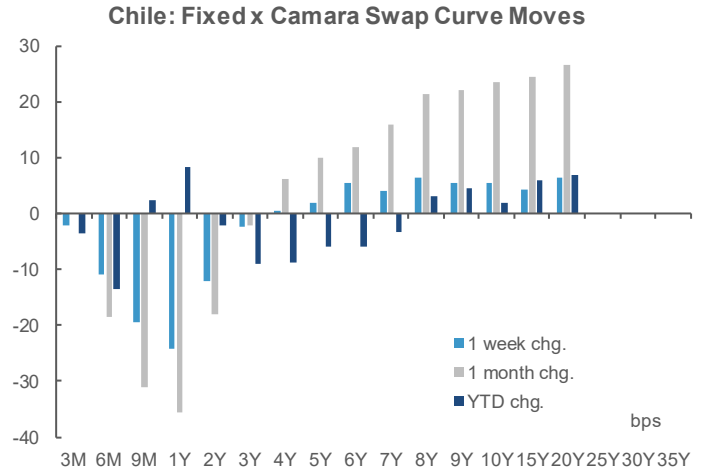
Yield Curves

Chart 7



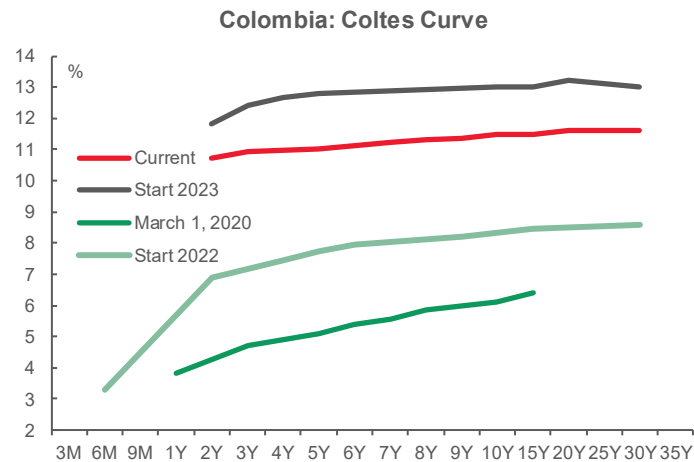
Sources: Scotiabank Economics, Bloomberg.

Chart 8



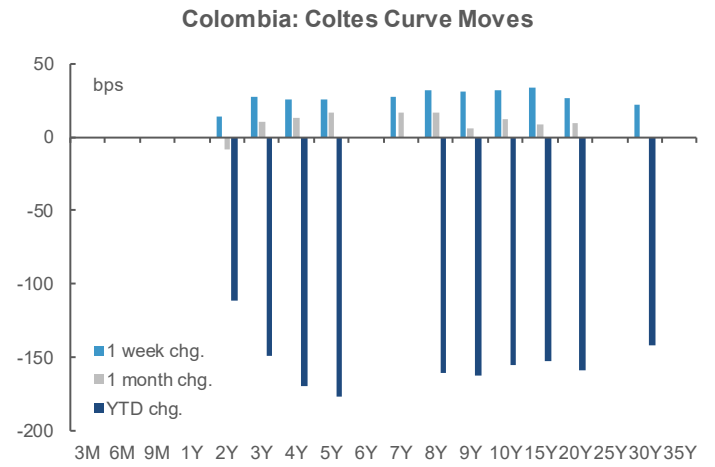
Sources: Scotiabank Economics, Bloomberg.

Chart 9



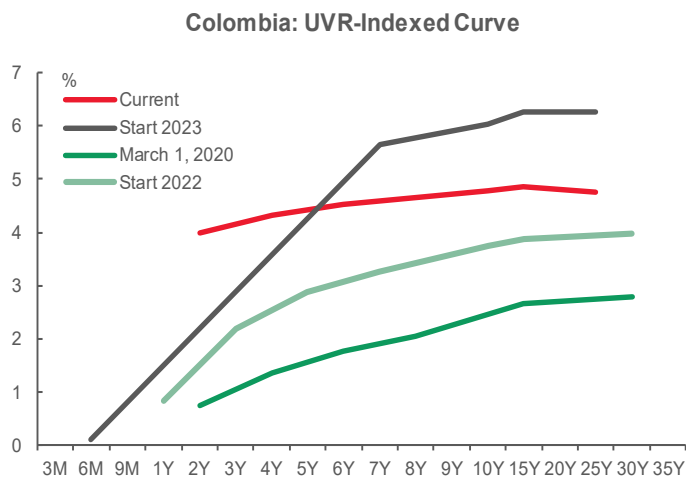
Sources: Scotiabank Economics, Bloomberg.

Chart 10



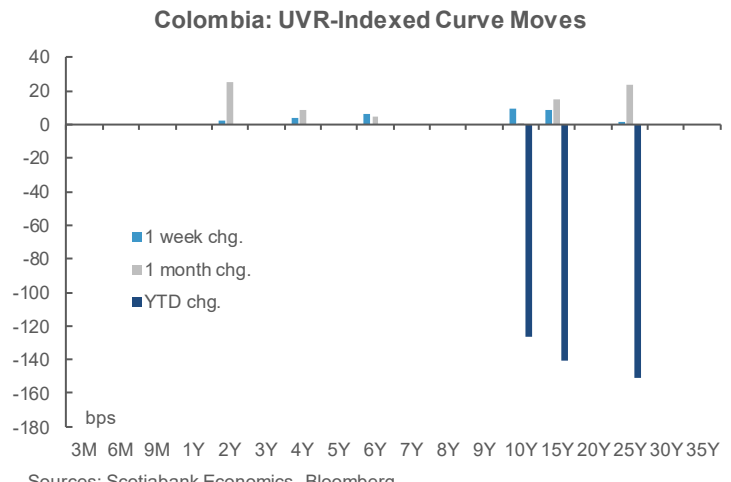
Sources: Scotiabank Economics, Bloomberg.

Chart 11



Sources: Scotiabank Economics, Bloomberg.

Chart 12

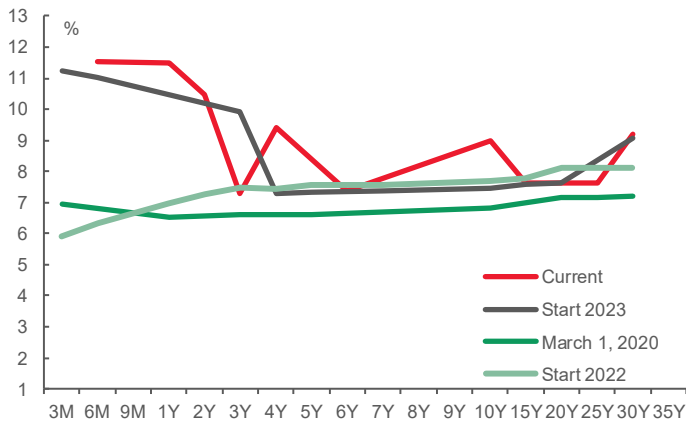


Sources: Scotiabank Economics, Bloomberg.

Yield Curves

Chart 13

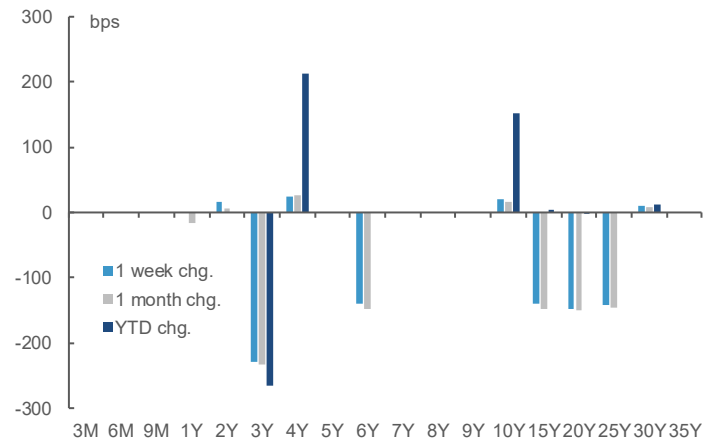
Mexico: M-Bono Curve



Sources: Scotiabank Economics, Bloomberg.

Chart 14

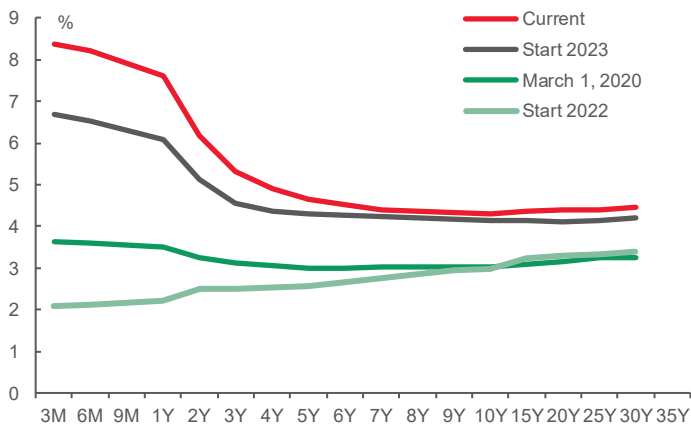
Mexico: M-Bono Curve Moves



Sources: Scotiabank Economics, Bloomberg.

Chart 15

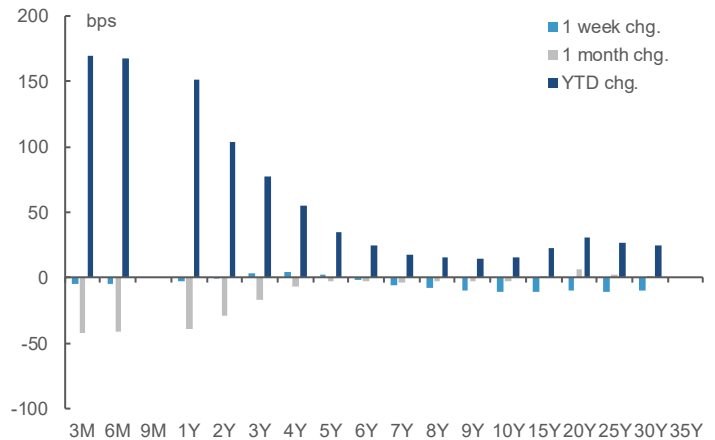
Mexico: Udibonos BVAL Yield Curve



Sources: Scotiabank Economics, Bloomberg.

Chart 16

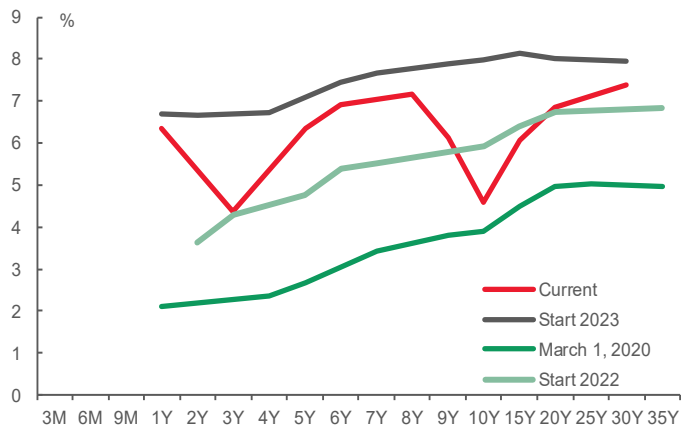
Mexico: Udibono Curve Moves



Sources: Scotiabank Economics, Bloomberg.

Chart 17

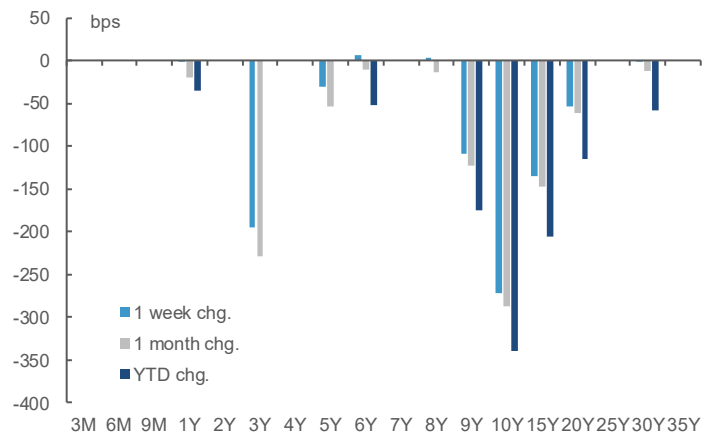
Peru: Sovereign Curve



Sources: Scotiabank Economics, Bloomberg.

Chart 18

Peru: Sovereign Curve Moves



Sources: Scotiabank Economics, Bloomberg.

Market Events & Indicators for May 27-June 9

BRAZIL

Date	Time Event	Period	BNS	Consensus	Latest BNS Comments
May-29	7:25 Central Bank Weekly Economist Survey		--		
May-29	7:30 Current Account Balance (USD mn)	Apr	--	-200	285.8
May-29	7:30 Foreign Direct Investment (USD mn)	Apr	--	4600	7672.8
May-29	Formal Job Creation Total	Apr	--	204800	195171
May-30	7:00 FGV Inflation IGPm y/y	May	--	-4.13	-2.17
May-30	7:00 FGV Inflation IGPM m/m	May	--	-1.51	-0.95
May-30	7:30 Total Outstanding Loans (BRL bn)	Apr	--	--	5361
May-30	7:30 Outstanding Loans m/m	Apr	--	--	0.7
May-30	7:30 Personal Loan Default Rate (%)	Apr	--	--	6.17
May-30	13:30 Central Govt Budget Balance (BRL bn)	Apr	--	--	-7.09
May-31	7:30 Nominal Budget Balance (BRL bn)	Apr	--	--	-79.50
May-31	7:30 Primary Budget Balance (BRL bn)	Apr	--	--	-14.18
May-31	7:30 Net Debt % GDP	Apr	--	--	57.16
May-31	8:00 National Unemployment Rate (%)	Apr	--	--	8.8
Jun-01	7:00 FGV CPI IPC-S (%)	31-May	--	--	0.45
Jun-01	8:00 GDP y/y	1Q	--	2.9	1.9
Jun-01	8:00 GDP 4Qtrs Accumulated (%)	1Q	--	3.0	2.9
Jun-01	8:00 GDP q/q	1Q	--	1.2	-0.2
Jun-01	9:00 S&P Global Brazil Manufacturing PMI	May	--	--	44.3
Jun-01	14:00 Trade Balance Monthly (USD mn)	May	--	--	8225
Jun-01	14:00 Exports Total (USD mn)	May	--	--	27365
Jun-01	14:00 Imports Total (USD mn)	May	--	--	19140
Jun-02	4:00 FIPE CPI - Monthly (%)	May	--	--	0.43
Jun-02	8:00 Industrial Production m/m	Apr	--	--	1.1
Jun-02	8:00 Industrial Production y/y	Apr	--	--	0.9
Jun-05	7:25 Central Bank Weekly Economist Survey		--		
Jun-05	9:00 S&P Global Brazil Composite PMI	May	--	--	51.8
Jun-05	9:00 S&P Global Brazil Services PMI	May	--	--	54.5
Jun 01-05	Vehicle Sales Fenabrave	May	--	--	160684
Jun-06	7:00 FGV Inflation IGP-DI m/m	May	--	--	-1.01
Jun-06	7:00 FGV Inflation IGP-DI y/y	May	--	--	-2.57
Jun-07	8:00 IBGE Inflation IPCA m/m	May	--	--	0.61
Jun-07	8:00 IBGE Inflation IPCA y/y	May	--	--	4.18
Jun 06-07	Vehicle Sales Anfavea	May	--	--	160730
Jun 06-07	Vehicle Exports Anfavea	May	--	--	34007
Jun 06-07	Vehicle Production Anfavea	May	--	--	178853

CHILE

Date	Time Event	Period	BNS	Consensus	Latest BNS Comments
May-29	8:30 Central Bank Meeting Minutes		--		
May-30	9:00 Unemployment Rate (%)	Apr	9.0	--	8.8 We project an increase in the unemployment rate with respect to the last moving quarter (up to 9%) due to strong growth in the labour force vs. our employment expectation.
May-31	8:30 Central Bank Traders Survey		--		
May-31	9:00 Manufacturing Production y/y	Apr	--	--	-5.45
May-31	9:00 Industrial Production y/y	Apr	--	--	-5.91
May-31	9:00 Copper Production Total (long ton)	Apr	--	--	440389
May-31	9:00 Commercial Activity y/y	Apr	--	--	-4
May-31	9:00 Retail Sales y/y	Apr	-13.0	--	-8.4 We project a 13% y/y decline in retail sales, which is explained by year-over-year contractions in all economic sectors, except tourism, which is growing compared to last year.
Jun-01	8:30 Economic Activity y/y	Apr	-1.2	--	-2.09 According to our estimates, activity in trade, industry and mining will decrease compared to last year, while services would partially offset the contraction in those economic sectors.
Jun-01	8:30 Economic Activity m/m	Apr	-0.7	--	-0.1
Jun-07	8:30 Trade Balance (USD mn)	May	--	--	1146
Jun-07	8:30 Exports Total (USD mn)	May	--	--	7609
Jun-07	8:30 Imports Total (USD mn)	May	--	--	6464
Jun-07	8:30 Copper Exports (USD mn)	May	--	--	3540
Jun-07	8:30 International Reserves (USD mn)	May	--	--	39781
Jun-07	9:00 Nominal Wage y/y	Apr	--	--	11.2
Jun 01-07	IMCE Business Confidence	May	--	--	41.4
Jun-08	8:00 CPI y/y	May	8.8	--	9.9
Jun-08	8:00 CPI m/m	May	0.2	--	0.3
Jun-08	8:00 CPI Ex Volatile Items m/m	May	0.2	--	0.7
Jun-08	8:00 CPI Ex Volatile Items y/y	May	9.5	--	10.3
Jun 07-12	Vehicle Sales Total	May	--	--	19522

COLOMBIA

Date	Time Event	Period	BNS	Consensus	Latest BNS Comments
May-31	11:00 Urban Unemployment Rate (%)	Apr	10.3	10.6	10.5 Unemployment rate will continue reflecting moderate job creation and a reduction of people outside the
May-31	11:00 National Unemployment Rate (%)	Apr	10.0	--	10.0 labour market.
Jun-01	11:00 Davivienda Colombia PMI Mfg	May	--	--	52.6
Jun-01	Current Account Balance (USD mn)	1Q	--	-5055	-4987
Jun-06	11:00 Exports FOB (USD mn)	Apr	--	--	4463
Jun-07	19:00 CPI y/y	May	12.6	--	12.82 Inflation is expected to continue slowing down. Food prices point to the possibility of a downside surprise vs.
Jun-07	19:00 CPI Core y/y	May	11.56	--	11.51 our expectations again. On the other hand, core inflation will continue reflecting indexation effects in rental
Jun-07	19:00 CPI m/m	May	0.65	--	0.78 fees and some labour-intensive services. Either way, it will be the last inflation reading before BanRep's June
Jun-07	19:00 CPI Core m/m	May	0.72	--	0.99 meeting, and we think it will contribute to affirming the rate stability thesis.

Forecasts at time of publication.
Sources: Scotiabank Economics, Bloomberg.

Market Events & Indicators for May 27-June 9

MEXICO

Date	Time Event	Period	BNS	Consensus	Latest BNS Comments
May-30	11:00 International Reserves Weekly (USD mn)	26-May	--	--	202832
May-30	Mexican Public Balance (MXN mn)	Apr	--	--	-125.2
May-31	11:00 Net Outstanding Loans (MXN bn)	Apr	--	--	5559
May-31	14:30 Mexican Central Bank Releases Inflation Report		--	--	
Jun-01	11:00 S&P Global Mexico Manufacturing PMI	May	--	--	51.1
Jun-01	11:00 Remittances Total (USD mn)	Apr	--	--	5194
Jun-01	11:00 Central Bank Monetary Policy Minutes		--	--	
Jun-01	11:00 Central Bank Economist Survey		--	--	
Jun-01	14:00 IMEF Manufacturing Index SA	May	--	--	50.6
Jun-01	14:00 IMEF Non-Manufacturing Index SA	May	--	--	52.2
Jun-02	8:00 Vehicle Domestic Sales	May	--	--	97610
Jun-02	8:00 Unemployment Rate NSA (%)	Apr	--	--	2.39
Jun-02	8:00 Leading Indicators (m/m)	Apr	--	--	0.12
Jun-05	8:00 Private Consumption y/y	Mar	--	--	3.64
Jun-05	8:00 Consumer Confidence	May	--	--	44.09
Jun-05	8:00 Gross Fixed Investment NSA y/y	Mar	--	--	12.7
Jun-05	8:00 Gross Fixed Investment SA m/m	Mar	--	--	1.94
Jun-06	8:00 Vehicle Production	May	--	--	294550
Jun-06	8:00 Vehicle Exports	May	--	--	253335
Jun-06	11:00 International Reserves Weekly (USD mn)	02-Jun	--	--	202832
Jun-06	Banamex Survey of Economists		--	--	
Jun 01-07	Formal Job Creation Total	May	--	--	24.01
Jun-08	8:00 CPI m/m	May	-0.06	--	-0.02
Jun-08	8:00 CPI Core m/m	May	0.4	--	0.4
Jun-08	8:00 CPI y/y	May	6.0	--	6.3
Jun-08	8:00 CPI Core y/y	May	7.3	--	7.7
Jun-08	8:00 Bi-Weekly CPI (%)	31-May	--	--	-0.32
Jun-08	8:00 Bi-Weekly Core CPI (%)	31-May	--	--	0.18
Jun-08	8:00 Bi-Weekly CPI y/y	31-May	--	--	6
Jun-08	8:00 Bi-Weekly Core CPI y/y	31-May	--	--	7.45
Jun-09	8:00 Industrial Production NSA y/y	Apr	--	--	1.58
Jun-09	8:00 Manuf. Production NSA y/y	Apr	--	--	1.07
Jun-09	8:00 Industrial Production SA m/m	Apr	--	--	-0.89
Jun-09	Nominal Wages	May	--	--	9.3

PERU

Date	Time Event	Period	BNS	Consensus	Latest BNS Comments
Jun-01	11:00 Lima CPI m/m	May	0.3	--	0.6 May's inflation would be lower than April but still high. Increases in food offset by decreases in local fuel prices.
Jun-01	11:00 Lima CPI y/y	May	7.9	--	8.0 Inflation y/y would remain high (close to 8%). We will have to wait until June for a more visible decline.
Jun-08	19:00 Reference Rate (%)	08-Jun	7.75	--	7.75 BCRP would keep its monetary pause. Inflation shows slight signs of deceleration.

Forecasts at time of publication.
Sources: Scotiabank Economics, Bloomberg.

Scotiabank Economics Latam Coverage

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