Latam Week Ahead: Chile/Colombia/Peru CPI, Brazil Q3 GDP

November CPI inflation data for Chile and Colombia are the highlights of the Latam calendar next week. In Chile, inflation is expected to remain steady within the target range, keeping the door open to a renewed BCCh rate cut in December. By contrast, Colombian CPI data are likely to reinforce concerns about the inflation outlook, adding to pressure on the central bank to consider interest rate hikes ahead. Meanwhile, Brazil Q3 GDP figures are likely to add to signs that the restrictive monetary policy stance is weighing on the economy, potentially paving the way for a start to the easing cycle early next year. No monetary policy decisions are due next week.

Monday 1st

- **Chile October Economic Activity (Est: 1.9% Y/Y; Prior: 3.2% Y/Y)**

Economic growth in Chile looks to have slowed last month after an unexpected 0.4% y/y contraction in manufacturing production and continued weakness in the mining sector. On the other hand, service sector activity remained robust, with retail sales rising by a better-than-expected 8.4% y/y, supported by rising real wages. Overall, domestic demand remains relatively solid, but this is unlikely to shift expectations for a renewed BCCh rate cut next month.

- **Brazil/Colombia/Mexico November Manufacturing PMI Data**
- **Peru November CPI Data (Est: 1.34% Y/Y; Prior: 1.35% Y/Y)**

The inflation backdrop in Peru remains benign, with the headline rate expected to remain steady at 1.34% y/y in November, keeping it below the BCRP's 2% target for a 12th consecutive month. Core inflation also remains well contained, with the annual rate there likely to hold around 1.8% y/y. The central bank still expects headline inflation to converge towards the 2% target in the coming months, but continued FX strength presents a downside risk to those forecasts. With the policy rate already very close to neutral, the easing cycle is near an end, but benign inflation pressures still keep the door open to one further cut in the coming months.

- **Mexico October Remittances (Prior: $5,214mn)**
- **Banxico Economist Survey**
- **Argentina November Government Tax Revenue (Prior: ARS 16.17tn)**
- **Colombia Q3 Current Account Balance (Prior: -$2,595mn)**

Tuesday 2nd

- **Brazil October Industrial Production (Est: 0.2% Y/Y; Prior: 2.0% Y/Y)**

Wednesday 3rd

- **Mexico September Gross Fixed Investment (Est: -5.3% Y/Y; Prior: -10.4% Y/Y)**
- **Mexico September Private Consumption (Prior: 0.1% Y/Y)**

Mexican gross fixed investment is expected to have remained extremely weak in September amid trade uncertainties and lower public spending. Construction activity fell on the month and capital goods imports continued to decline. The weak growth backdrop continues to underpin Banxico's easing cycle, with the central bank trimming its 2025 GDP forecast by 30bp to just 0.3% this week after the contraction in Q3 GDP. While a further 25bp rate cut is widely expected on Dec 18, persistent core CPI inflation pressures may prompt a pause in the easing cycle early next year.

- **Brazil November Services / Composite PMI Data (Prior: 47.7 / 48.2)**

Thursday 4th

- **Chile October Nominal Wage (Prior: 5.9% Y/Y)**
- **Brazil Q3 GDP (Est: 1.6% Y/Y; Prior: 2.2% Y/Y)**

The BCB's very restrictive monetary policy stance is gradually having the expected effect, with Brazilian GDP growth expected to have moderated further to 1.6% y/y in Q3, which would mark the slowest pace since Q1 2022. In quarterly terms, the economy is seen eking out a modest 0.1% q/q expansion, slowing from +0.4% q/q in Q2. Consumer spending and investment are likely to have slowed, partly offset by an increase in net exports. Despite the moderation in growth and recent decline of inflation, BCB Governor Galipolo remains cautious for now, although expectations are still high for a start to the easing cycle in Q1 2026.

- **Colombia October Exports (Prior: $4,621mn)**
- **Brazil November Trade Balance (Prior: $6,964mn)**
- **BCRA Analyst Survey**

Friday 5th

- **Chile November CPI Data (Est: 3.5% Y/Y; Prior: 3.4% Y/Y)**

Following the larger-than-expected decline in Chile CPI inflation last month (bringing the headline rate back within the 2-4% target range), analysts expect inflation to have remained steady in November. The headline rate is seen ticking up to 3.5% y/y, amid a pick-up in food inflation, while the BCCh's preferred core ex-volatiles measure is likely to have stayed close to 3.4%. Given that core inflation was tracking close to 4% through Q3 this should be enough to assuage BCCh concerns about persistent core CPI pressures, opening the door to a renewed 25bp rate cut on Dec 16.

- **Colombia November CPI Data (Est: 5.46% Y/Y; Prior: 5.51% Y/Y)**

After surprising to the upside last month, Colombia CPI inflation is expected to have remained well above target in November, with the headline rate tracking close to 5.5% y/y and the core (ex-food) measure also holding above 5% (est. 5.17% y/y vs. 5.25% prior). The majority of the BanRep board have become increasingly concerned about rising inflation expectations against a backdrop of strengthening domestic demand and an elevated fiscal deficit, with risks to CPI forecasts skewed to the upside given prospects for a significant increase in the 2026 minimum wage. Another upside inflation surprise in November would further increase risks that the central bank has to reverse course and start hiking rates next year.

- **Mexico Citi Economist Survey**

N.B. All estimates via the Bloomberg analyst survey as of 28/11/25
