

Latam Daily: Chile BCCh Minutes; Peru Presidential Run-Off Looks Set

- Chile: BCCh minutes from March 30 rate decision due on Thursday, April 15
- Peru: Castillo and Fujimori look set to contest second round of presidential voting on June 6

CHILE: BCCh MINUTES FROM MARCH 30 RATE DECISION DUE ON THURSDAY, APRIL 15

On Thursday, April 15, the BCCh is due to publish the [minutes](#) of its March 30 Board meeting at which members unanimously voted to hold the central bank's benchmark policy rate at its record low 0.50%, where it has been since March 30, 2020. The Board [statement](#) nuanced its forward guidance in a slightly more hawkish, but more flexible and data-dependent direction to reflect indications that growth is proving a bit stronger than anticipated in the December [Monetary Policy Report](#) (*IPoM* in Spanish) amidst a stable inflation outlook. Since then, the March [Monetary Policy Report](#) delivered an improved set of growth forecasts from the central bank staff, February saw the strongest growth for that month since 2010 (see our April 5 [Latam Daily](#)), and consensus forecasts came up (see our April 13 [Latam Daily](#)).

The Board's characterization of the Chilean economy's ongoing recovery, the shift in its forward guidance, and the changes to the central bank's outlook in the March *IPoM* together prompted us in our April 1 [Latam Daily](#) to bring forward our expectation of a first rate hike from Q2-2022 to Q1-2022 (chart 1). We will look to the minutes for additional colour on the Board's evolving views.

—Brett House

PERU: CASTILLO AND FUJIMORI LOOK SET TO CONTEST SECOND ROUND OF PRESIDENTIAL VOTING ON JUNE 6

With 98.456% of votes counted as of 06:16 in Lima on Wednesday, April 14, it appeared that Pedro Castillo (19.099%) and Keiko Fujimori (13.366%) have secured the two places in Peru's June 6 presidential run-off vote. With 1.544% of votes that were cast yet to be counted and some 4.317% of counted ballots under review, the next two candidates, Rafael Lopez Aliaga (11.669%) and Hernando de Soto (11.595%), are now too far back to overtake Fujimori for the second run-off spot unless the outstanding ballots cast were to break in a manner radically inconsistent with those votes already confirmed.

—Brett House

CONTACTS

Brett House, VP & Deputy Chief Economist
416.863.7463
Scotiabank Economics
brett.house@scotiabank.com

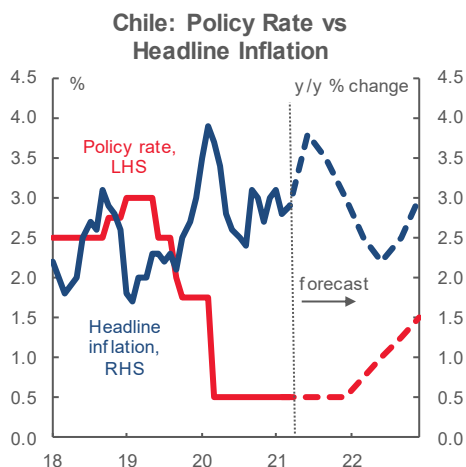
Guillermo Arbe
51.1.211.6052 (Peru)
Scotiabank Peru
guillermo.arbe@scotiabank.com.pe

Sergio Olarte
57.1.745.6300 (Colombia)
Scotiabank Colombia
sergio.olarte@scotiabankcolpatria.com

Jorge Selaive
56.2.2619.5435 (Chile)
Scotiabank Chile
jorge.selaive@scotiabank.cl

Eduardo Suárez
52.55.9179.5174 (Mexico)
Scotiabank Mexico
esuarezm@scotiabank.com.mx

Chart 1



Sources: Scotiabank Economics, BCCh, INE.

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