

Citibanamex Survey – Consensus now points to a 25bps hike in June

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- Citibanamex just published its bi-weekly survey of economic expectations
- Regarding monetary policy, 29% of economists (7 analysts) expect a 25bps hike at the April 12 monetary policy meeting
- Out of the remaining 71%, four analysts forecast a hike in May and another three in June (Banorte: one 25bps hike in 2Q18). Moreover, one analyst discounts a similar hike in October
- In addition, two economists forecast a 25bps cut in August while another two expect it in October, one in November, and two expect it in 2019
- In this regard, the median around the level of the reference rate at the end of 2018 remained at 7.50% (Banorte: 7.25%)
- Regarding inflation, economists now expect it to close 2018 at 4.07% from 4.1%, marginally below our 4.3% estimate
- Core inflation by YE18 is forecasted at 3.7% (Banorte: 4.2%)
- Economists expect headline inflation to rise 0.25% 2w/2w in the first half of March (Banorte: 0.35% 2w/2w); while the core component is estimated at 0.24% 2w/2w, in line with our forecast
- For 2018, analysts expect an economic expansion of 2.3% yoy (Banorte: 2.5%)
- Moreover, growth in 2019 is expected at 2.5%
- Finally, analysts expect the exchange rate at USD/MXN 18.70, marginally above our forecast (USD/MXN 18.60), but below the previous figure of USD/MXN 18.73

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