



Pichardo Asset Management
Independent Portfolio Management Firm

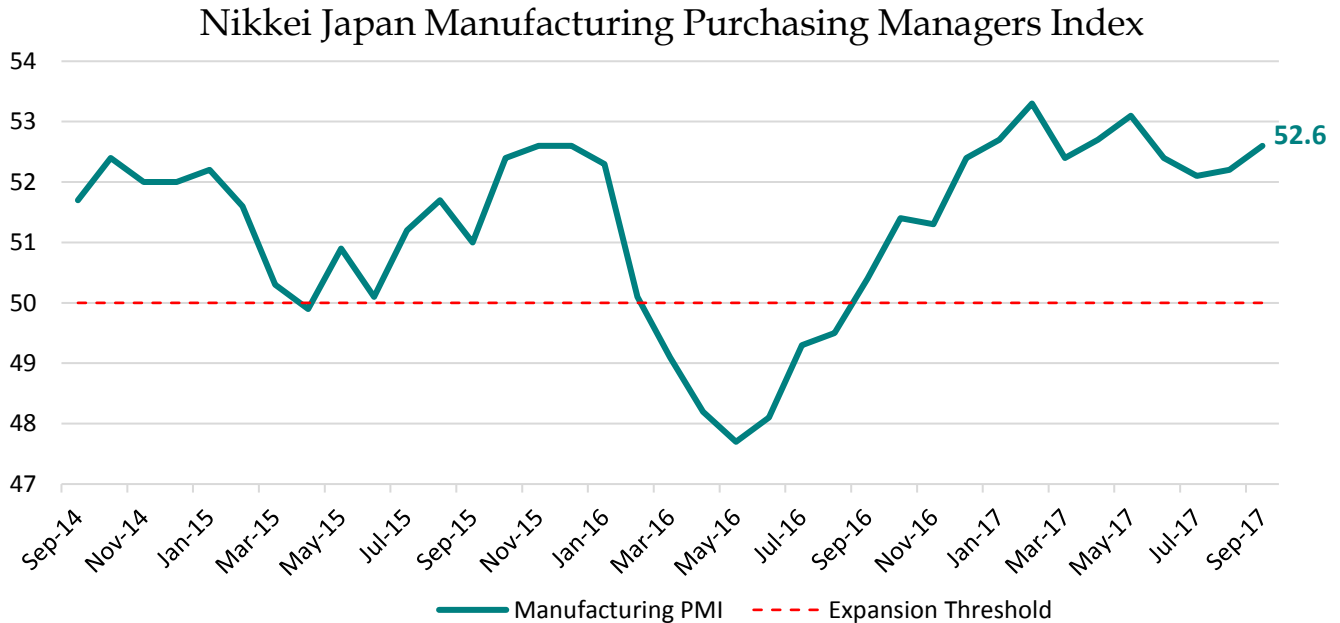
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Asia

Japan

Nikkei Japan PMI Mfg



Source: Bloomberg

Period: Sep
Actual: 52.6
Survey:
Previous: 52.2

IHS Markit reported that the Nikkei Japan Manufacturing PMI rises to four-month high of 52.6.

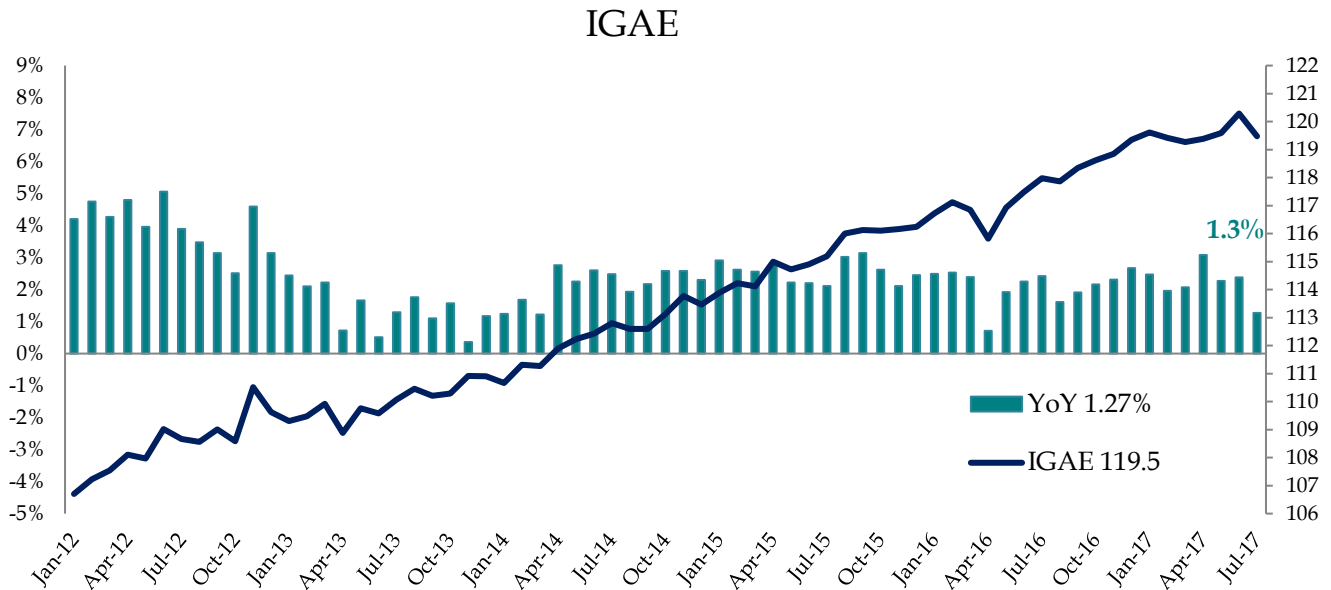
“Firms signalled stronger expansions in both output and new orders amid reports of firmer demand both at home and abroad. The strong end to Q3 bodes well for production in the coming months, with business confidence also perking up slightly since August.” – Annabel Fiddes, Principal economist at IHS Markit

“One disappointment in the PMI report was a relatively large fall in employment, but the future output index edged up in the month and stayed relatively high level. We think that the positive momentum will be sustained as there is no sign of meaningful rise in inventories. Meanwhile, input prices rose in September, while output prices basically unchanged, which is discouraging from inflation perspective.” – Masamichi Adachi (J.P. Morgan)

America

Mexico

Economic Activity IGAE YoY



Source: INEGI

Period:	Jul
Actual:	1.3%
Survey:	1.65%
Previous:	2.40%

According to INEGI, Mexico’s Global Economic Activity Index (IGAE) decreased 0.7% compared to the previous month, resulting in an 1.3% annual growth rate. Agriculture, industrial activity and services decreased by 1.6%, 1% and 0.1% respectively.

“Certainly this poses additional downside risk to our recently revised 1.2% ar current quarter growth forecast, more so amid our expectations for activity to have dipped late in the quarter in the aftermath of last week’s earthquake. We think August activity will show a much more robust performance. The degree to which it does will help us assess just how large is the downside risk. Wednesday’s August trade data will allow us to gauge whether a manufacturing-driven rebound in activity looks feasible through the middle of the quarter. In any case, absent an impressive upswing in trade data this week, 3Q growth appears likely to be softer than our current 1.2% forecast. We will reassess our call following this week’s other data releases.” – Gabriel Lozano (J.P. Morgan)

According to Citibanamex, these results point to relatively weak activity in the coming months, and pose downside risks to their 2.0% growth forecast for the third quarter of 2017.

This Week


September 24th to 29th 2017

Date	Country	Release	Period	Survey	Actual	Prior
Sep 24	Japan	Nikkei Japan PMI Mfg	Sep	-	52.6	52.2
Sep 25	Mexico	Economic Activity IGAE YoY	Jul	1.65%	1.02%	2.42%
Sep 26	Brazil	Current Account Balance	Aug	-	-	-\$3404m
	U.S.	New Home Sales	Aug	600k	-	571k
	U.S.	Conf. Board Consumer Confidence	Sep	119.0	-	122.9
	Mexico	Unemployment Rate NSA	Aug	-	-	3.41%
	Mexico	International Reserves Weekly	Sep 22	-	-	-
Sep 27	U.S.	MBA Mortgage Applications	Sep 22	-	-	-
	U.S.	Durable Goods Orders	Aug P	1.0%	-	-6.8%
	Mexico	Trade Balance	Aug	-	-	-1522.6m
Sep 28	China	Caixin China PMI Mfg	Sep	-	-	51.6
	Eurozone	Consumer Confidence	Sep F	-	-	-
	Brazil	FGV Inflation IGPM YoY	Sep	-	-	-1.71%
	U.S.	GDP Annualized QoQ	2Q T	3.2%	-	3.0%
	U.S.	Initial Jobless Claims	Sep 16	-	-	-
	U.S.	Wholesale Inventories MoM	Aug P	-	-	0.6%
Sep 29	China	Manufacturing PMI	Sep	-	-	51.7
	China	Non-manufacturing PMI	Sep	-	-	53.4
	Japan	Industrial Production YoY	Aug P	-	-	4.7%
	Eurozone	CPI Estimate YoY	Sep	-	-	1.5%
	U.K.	GDP QoQ	2Q F	-	-	0.3%
	U.S.	Personal Income	Aug	0.3%	-	0.4%
	U.S.	Personal spending	Aug	0.2%	-	0.3%
	U.S.	Chicago Purchasing Manager	Sep	57.5	-	58.9
	U.S.	U. of Michigan Sentiment	Sep F	-	-	95.3

Next Week

October 1st to 6th 2017

Date	Country	Release	Period	Survey	Actual	Prior
Oct 2	Japan	Nikkei Japan PMI Mfg	Sep F	-	-	52.6
	Eurozone	Markit Eurozone Manufacturing PMI	Sep F	-	-	58.2
	U.K.	Markit UK PMI Manufacturing SA	Sep	-	-	56.9
	Brazil	Trade Balance Monthly	Sep	\$4900m	-	\$5599m
	Brazil	Markit Brazil PMI Manufacturing				
	U.S.	Markit US Manufacturing PMI	Sep F	-	-	53.0
	U.S.	Construction Spending MoM	Aug	0.4%	-	-0.6%
	Mexico	Markit Mexico PMI Mfg	Sep	-	-	52.2
	Mexico	IMEF Manufacturing Index SA	Sep	-	-	54.0
	Mexico	IMEF Non-Manufacturing Index SA	Sep	-	-	54.0
	Mexico	Vehicle Domestic Sales AMIA	Sep	-	-	125331
Oct 3	Eurozone	Unemployment rate	Aug	-	-	9.1%
	Brazil	FGV CPI IPC-S	Sep 30	-	-	-0.07%
	Brazil	Industrial Production	Aug	-	-	2.5%
	Mexico	International Reserves Weekly	Sep 29	-	-	-
Oct 4	Eurozone	PPI YoY	Aug	-	-	2.0%
	U.S.	MBA Mortgage Applications	Sep 29	-	-	-
	Mexico	Gross Fixed Investment	Jul	-	-	-0.9%
Oct 5	Eurozone	Retail Sales YoY	Aug	-	-	2.6%
	Eurozone	ECB account of the monetary policy meeting				
	U.S.	Initial Jobless Claims	Sep 30	-	-	-
	U.S.	Trade Balance	Aug	-\$43.9b	-	-\$43.7b
	U.S.	Factory Orders	Aug	0.7%	-	-3.3%
	U.S.	Durable Goods Orders	Aug F	-	-	-
	Mexico	Consumer Confidence Index	Sep	-	-	88.5
Oct 6	Brazil	IBGE Inflation IPCA YoY	Sep	2.45%	-	2.46%
	U.S.	Unemployment Rate	Sep	4.4%	-	4.4%
	U.S.	Wholesale Inventories MoM	Aug F	-	-	-



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