

# Summary Inflation Report

March 2026

This **Inflation Report** has been prepared using data through the fourth quarter of 2025 for the Balance of Payments and Gross Domestic Product; through January 2026 for monthly GDP and monetary accounts; and through February for Non-Financial Public Sector operations, inflation, financial markets, and the exchange rate.

Since the last Report, **global economic activity** has shown moderate and uneven performance. In the fourth quarter of 2025, the United States recorded a slowdown that was sharper than expected, the eurozone maintained modest growth, and China achieved higher-than-expected growth. For its part, Latin America ended the year with widespread expansion across its major economies.

Global economic growth is projected to slow down from 3.3 percent in 2025 to 3.1 percent in 2026 and 3.0 percent in 2027. This trend is occurring against a backdrop of fiscal stimulus in some developed countries and strong private investment in artificial intelligence, particularly in the United States. These forecasts have a downside bias due to conflicts in the Middle East and uncertainty regarding a possible overvaluation of technology companies.

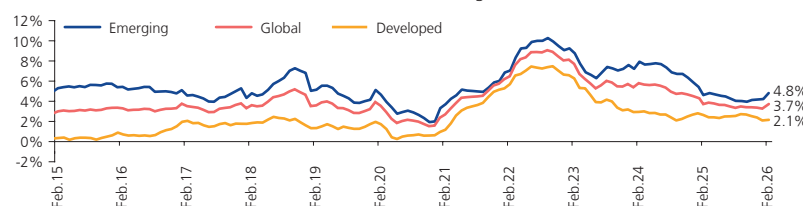
The **terms of trade** rose by 19.2 percent in 2025, reaching their highest level since 1950. The increase was largely due to price movements in gold, copper, zinc, coffee, and non-traditional products such as iron and steel, fisheries, and chemicals. Mining products rose due to increased demand for minerals for the energy transition and the construction of data centers, supply constraints, heightened geopolitical risks, and the depreciation of the dollar, while coffee prices rose due to crop problems in major producing countries.

## GLOBAL GROWTH (Year-on-year % changes)

	PPP*	2024	2025		2026		2027	
			IR Dic.	IR Mar.	IR Dic.	IR Mar.	IR Dic.	IR Mar.
<b>Developed economies</b>	<b>39.9</b>	<b>1.8</b>	<b>1.5</b>	<b>1.8</b>	<b>1.5</b>	<b>1.7</b>	<b>1.6</b>	<b>1.6</b>
<i>Of which</i>								
1. United States	14.9	2.8	1.9	2.1	1.8	2.2	1.8	1.9
2. Eurozone	11.6	0.9	1.2	1.5	1.2	1.3	1.4	1.4
3. Japan	3.3	0.1	1.0	1.2	0.7	0.7	0.8	0.9
4. United Kingdom	2.2	1.1	1.3	1.3	1.1	1.1	1.3	1.3
5. Canada	1.3	1.5	1.2	1.7	1.0	1.2	1.5	1.6
<b>Developing economies</b>	<b>60.1</b>	<b>4.3</b>	<b>4.2</b>	<b>4.3</b>	<b>4.0</b>	<b>4.0</b>	<b>3.9</b>	<b>3.9</b>
<i>Of which</i>								
1. China	19.5	5.0	5.0	5.0	4.5	4.5	4.2	4.2
2. India	8.3	6.5	6.5	7.3	6.3	6.3	6.3	6.3
3. Russia	3.5	4.1	1.7	0.8	1.1	1.0	1.1	1.1
4. Latin America and the Caribbean	7.2	2.4	2.2	2.3	2.2	2.2	2.4	2.4
<b>World Economy</b>	<b>100.0</b>	<b>3.3</b>	<b>3.1</b>	<b>3.3</b>	<b>3.0</b>	<b>3.1</b>	<b>2.9</b>	<b>3.0</b>

\* Base 2024  
Source: IMF, Consensus Forecast, and BCRP (Peru).

## INFLATION: GLOBAL, DEVELOPED COUNTRIES, AND EMERGING ECONOMIES (12-month % change)



	Inflation (12-month % change)								
	Dec.22	Dec.23	Dec.24	Mar.25	Jun.25	Sep.25	Dec.25	Jan.26	Feb.26
Global	8.1	5.7	4.5	3.8	3.6	3.4	3.4	3.3	3.7
Developed	6.7	3.2	2.6	2.4	2.5	2.7	2.4	2.0	2.1
Emerging	9.1	7.6	5.9	4.8	4.4	4.0	4.1	4.2	4.8
Developed countries excluding the U.S.	6.9	3.0	2.4	2.4	2.3	2.4	2.1	1.8	1.9
Emerging markets excluding China	14.2	13.1	9.9	8.2	7.4	6.9	6.3	6.9	7.2
Peru	8.5	3.2	2.0	1.3	1.7	1.4	1.5	1.7	2.2

Source: Reuters.

## TERMS OF TRADE: 2024-2027

	2024	2025	2026*		2027*	
			IR Dic. 25	IR Mar. 26	IR Dic. 25	IR Mar. 26
<b>Terms of trade</b>						
<i>Annual % Change (average)</i>	<b>12.3</b>	<b>19.2</b>	<b>6.4</b>	<b>11.5</b>	<b>-1.4</b>	<b>-0.6</b>
<b>Export Prices</b>						
<i>Annual % Change (average)</i>	<b>7.6</b>	<b>16.7</b>	<b>6.3</b>	<b>19.4</b>	<b>0.8</b>	<b>-0.6</b>
<i>Copper (cents per pound)</i>	415	451	485	555	480	561
<i>Zinc (cents per pound)</i>	126	130	136	142	132	137
<i>Gold (USD per ounce)</i>	2,388	3,442	4,030	4,702	4,177	4,832
<b>Import Prices</b>						
<i>Annual % Change (average)</i>	<b>-4.2</b>	<b>-2.1</b>	<b>-0.1</b>	<b>7.1</b>	<b>2.3</b>	<b>0.0</b>
<i>Oil (USD per barrel)</i>	77	65	60	83	60	74
<i>Wheat (USD per MT)</i>	224	203	196	222	216	245
<i>Maize (USD per MT)</i>	162	162	177	183	187	196
<i>Soybean Oil (USD per MT)</i>	987	1,075	1,126	1,385	1,101	1,312

\* Forecast.  
Source: BCRP.

## Summary of the Inflation Report. March 2026

The terms of trade are projected to improve significantly in 2026, rising from 6.4 percent to 11.5 percent, due to the expectation of higher prices for major export metals, primarily gold and copper, whose international prices have recorded historical highs in the first months of the year.

The **balance of payments** continued to strengthen. The current account surplus increased from 2.2 percent of GDP in 2024 to 3.1 percent of GDP in 2025, driven primarily by the rise in terms of trade.

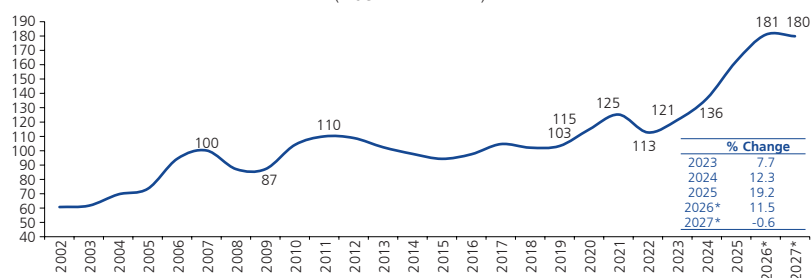
The current account surplus is projected to reach 3.2 percent and 3.1 percent of GDP in 2026 and 2027, respectively, driven primarily by a further significant improvement in the terms of trade in 2026. By 2027, this extraordinary level of current account surplus is expected to decline due to a moderation in the high terms of trade and stronger growth in domestic demand relative to output.

The **national economy** recorded a growth rate of 3.4 percent in 2025, driven primarily by robust private spending, which was reflected, on the supply side, by stronger growth in the construction, trade, and services sectors. In addition to the performance of the agricultural sector and the primary manufacturing sector, the favorable trend in demand for exports of fishery and agricultural products was reflected.

The GDP growth forecast for 2026 has been revised upward from 3.0 percent to 3.2 percent compared to the previous report, based on the available information as of March 10, amid a context of high uncertainty. This revision is primarily due to an expected greater expansion of non-primary sectors, particularly construction, trade, and services, against a backdrop of increased dynamism in private spending and higher terms of trade. This expansion would be in part offset by slower growth in the primary sectors, particularly the agricultural sector, fisheries, and related manufacturing, due to the presence of a weak Coastal El Niño. In addition, the baseline scenario incorporates a revision on

## TERMS OF TRADE, 2002–2027

(Index 100 = 2007)



\* Forecast.  
Source: BCRP.

## BALANCE OF PAYMENTS

(Million USD)

	2025	2026*		2027*	
		IR Dec.25	IR Mar.26	IR Dec.25	IR Mar.26
<b>I. CURRENT ACCOUNT BALANCE</b>	<b>10,718</b>	<b>9,698</b>	<b>12,313</b>	<b>8,797</b>	<b>12,700</b>
Percentage of GDP	3.1	2.6	3.2	2.3	3.1
<b>1. Trade balance</b>	<b>34,573</b>	<b>38,208</b>	<b>44,336</b>	<b>37,569</b>	<b>45,044</b>
a. Exports	93,078	98,701	112,290	101,478	116,124
Of which:					
i) Traditional	69,428	74,445	88,736	75,505	91,000
ii) Non-traditional	23,405	24,077	23,292	25,765	24,863
b. Imports	58,505	60,493	67,955	63,909	71,080
<b>2. Services</b>	<b>-8,231</b>	<b>-7,761</b>	<b>-9,075</b>	<b>-7,865</b>	<b>-8,266</b>
<b>3. Primary income (factor income)</b>	<b>-23,557</b>	<b>-28,994</b>	<b>-31,810</b>	<b>-29,511</b>	<b>-32,920</b>
<b>4. Secondary income (transfers)</b>	<b>7,933</b>	<b>8,245</b>	<b>8,863</b>	<b>8,603</b>	<b>8,841</b>
Of which: Remittances from abroad	5,368	5,440	5,595	5,603	5,789
<b>II. FINANCIAL STATEMENT<sup>1/</sup></b>	<b>-4,319</b>	<b>3,785</b>	<b>5,331</b>	<b>3,959</b>	<b>4,641</b>
Percentage of GDP	-1.3	1.0	1.4	1.0	1.1
<b>1. Private sector</b>	<b>240</b>	<b>5,541</b>	<b>7,156</b>	<b>4,803</b>	<b>5,638</b>
a. Long-term	-3,291	3,074	4,344	3,156	3,449
b. Short term	3,531	2,467	2,813	1,647	2,189
<b>2. Public sector<sup>2/</sup></b>	<b>-4,558</b>	<b>-1,757</b>	<b>-1,825</b>	<b>-845</b>	<b>-997</b>
<b>III. NET ERRORS AND OMISSIONS</b>	<b>-7,182</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>IV. BALANCE OF PAYMENTS RESULTS</b>	<b>7,855</b>	<b>5,913</b>	<b>6,982</b>	<b>4,839</b>	<b>8,058</b>
IV = (I+II) - III = (1-2)					
<b>1. Change in the NIRs balance</b>	11,228	5,913	6,982	4,839	8,058
<b>2. Valuation effect</b>	3,373	0	0	0	0

1/ The financial account and its components (private and public sectors) are expressed as net assets minus liabilities. Therefore, a negative sign indicates an inflow of foreign capital.

2/ Considers the purchase and sale between residents and non-residents of public sector bonds issued abroad or on the Domestic market.

\* Forecast.  
Source: BCRP.

## GDP BY ECONOMIC SECTOR

(Real % changes)

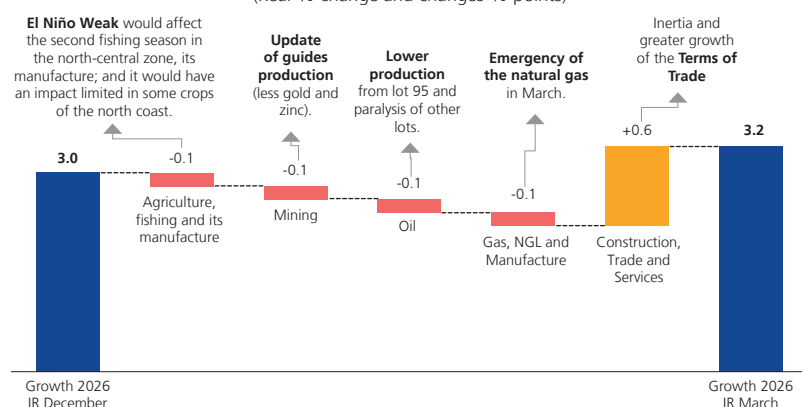
	2024	2025	2026*		2027*		
			Jan.	IR Dec.25	IR Mar.26	IR Dec.25	IR Mar.26
<b>Primary GDP</b>	<b>4.8</b>	<b>2.8</b>	<b>2.7</b>	<b>1.9</b>	<b>0.2</b>	<b>1.7</b>	<b>3.0</b>
Agriculture and livestock	5.6	4.8	4.0	3.0	2.5	3.0	3.0
Fishing	27.2	2.9	-9.6	2.0	-6.6	3.0	10.1
Metallic mining	3.2	1.8	3.3	0.5	-0.1	-1.4	-0.2
Hydrocarbons	2.1	-1.6	1.5	4.9	-4.7	5.2	9.8
Manufacture	8.3	4.6	1.0	3.1	-0.2	8.1	10.3
<b>Non-Primary GDP</b>	<b>3.1</b>	<b>3.6</b>	<b>3.8</b>	<b>3.3</b>	<b>4.0</b>	<b>3.3</b>	<b>3.3</b>
Manufacture	3.3	2.0	-2.4	2.9	3.0	2.8	2.8
Electricity and water	2.4	2.0	4.0	2.7	2.9	2.9	2.9
Construction	3.6	6.7	15.6	2.5	6.0	3.4	3.4
Commerce	3.0	3.6	4.3	3.0	4.0	3.0	3.0
Services	3.1	3.6	3.4	3.5	3.9	3.4	3.4
<b>GDP</b>	<b>3.5</b>	<b>3.4</b>	<b>3.5</b>	<b>3.0</b>	<b>3.2</b>	<b>3.0</b>	<b>3.2</b>

IR: Inflation Report.

\* Forecast.  
Source: BCRP.

## REVISION OF THE FORECAST ECONOMIC GROWTH 2026

(Real % change and changes % points)



the downside for mining production, due to reduced production plans for gold and zinc, as well as for hydrocarbons, owing to lower-than-expected production from Lot 95, the standstill of operations in other blocks, and the impact of the recent crisis in the natural gas and natural gas liquids (NGL) transportation system.

The baseline scenario incorporates the recent crisis in the natural gas and NGL transportation system during the first half of March, caused by the accident on the TGP transmission pipeline. Although the Camisea system accounts for about one-third of the country's electricity generation, the severity of this incident was mitigated by the fact that we are in the rainy season, which favors hydroelectric generation, and by the existence of cold reserves (thermal power plants that operate only when needed). The manufacturing sector would have been the most affected. Gas supply was restored within the timeframe announced by the authorities.

By 2027, the economy is projected to grow by 3.2 percent, a forecast based on normal weather conditions, which would allow for a recovery in the primary sectors. The current forecast assumes a stable macroeconomic and social environment, which will support continued growth in private spending.

The **cumulative fiscal deficit over the past twelve months** decreased from 2.2 percent to 2.1 percent of GDP between December 2025 and February 2026. The deficit is projected to fall to 1.8 percent of GDP by the end of 2026 and to 1.4 percent in 2027. The forecast for 2026 assumes a similar level of current income as a percentage of GDP compared to 2025, primarily because the absence of extraordinary revenue and discretionary revenue-increasing measures would be offset by the positive impact of high export prices and economic growth. Likewise, a moderate increase in non-financial expenditures is projected, lower than GDP growth, assuming no new public expenditures to support Petroperú and slower growth in national government investment, in line with the fiscal consolidation process.

**GDP BY TYPE OF EXPENDITURE**

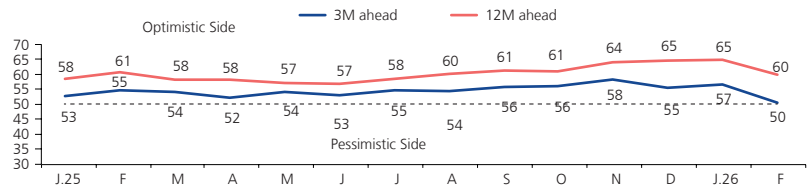
(Real % change)

	2024	2025	2026*		2027*	
			IR Dec.25	IR Mar.26	IR Dec.25	IR Mar.26
<b>Domestic demand</b>	<b>4.0</b>	<b>5.8</b>	<b>3.5</b>	<b>4.9</b>	<b>3.2</b>	<b>3.3</b>
Private consumption	2.8	3.6	3.0	3.4	3.0	3.0
Public consumption	2.1	2.8	2.5	2.7	1.2	2.3
Private investment	3.3	10.0	5.0	9.5	5.0	5.0
Public investment	14.7	5.7	1.0	1.0	1.0	1.0
Change on inventories (contribution)	0.6	0.8	0.2	0.4	0.1	0.0
<b>Exports</b>	<b>6.6</b>	<b>4.4</b>	<b>2.5</b>	<b>1.6</b>	<b>2.1</b>	<b>4.0</b>
<b>Imports</b>	<b>8.4</b>	<b>12.8</b>	<b>4.4</b>	<b>7.7</b>	<b>3.1</b>	<b>4.2</b>
<b>Gross Domestic Product</b>	<b>3.5</b>	<b>3.4</b>	<b>3.0</b>	<b>3.2</b>	<b>3.0</b>	<b>3.2</b>

IR: Inflation Report.  
\* Forecast.  
Source: BCRP.

**EXPECTATIONS ABOUT THE ECONOMY IN 3 AND 12 MONTHS AHEAD**

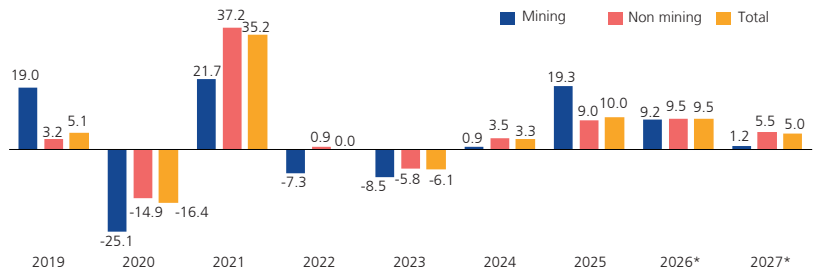
(Index)



Source: BCRP.

**PRIVATE INVESTMENT**

(Real % change)



\* Forecast.  
Source: BCRP.

**NON-FINANCIAL PUBLIC SECTOR**

(% GDP)

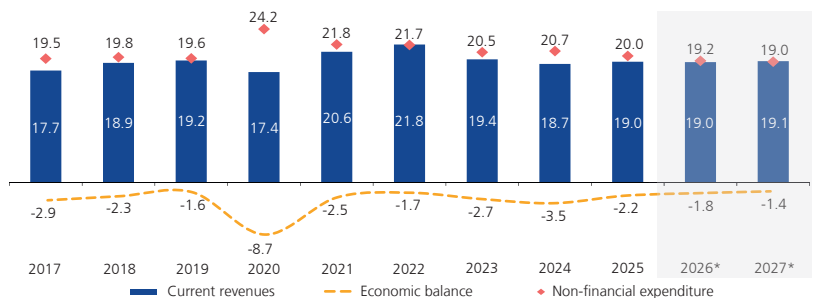
	2025	2026*		2027*		
		February <sup>1/</sup>	IR Dec.25	IR Mar.26	IR Dec.25	IR Mar.26
<b>1. Ingresos corrientes del Gobierno General</b>	<b>19.0</b>	<b>18.8</b>	<b>19.2</b>	<b>19.0</b>	<b>19.2</b>	<b>19.1</b>
Real % change	9.5%	8.7%	4.4%	5.8%	3.0%	4.0%
<b>2. General government non-financial expenditure</b>	<b>20.0</b>	<b>19.7</b>	<b>19.4</b>	<b>19.2</b>	<b>19.1</b>	<b>19.0</b>
Real % change	3.6%	2.9%	1.2%	2.0%	1.2%	2.4%
Of which:						
Current expenditure	14.3	14.3	14.2	14.0	13.9	14.0
Real % change	5.2%	6.4%	3.1%	4.0%	1.3%	2.7%
Gross capital formation	4.9	4.8	4.7	4.6	4.6	4.5
Real % change	6.2%	3.4%	0.4%	0.6%	0.7%	0.8%
<b>3. Other<sup>2/</sup></b>	<b>0.3</b>	<b>0.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>
<b>4. Primary balance (1-2+3)</b>	<b>-0.6</b>	<b>-0.5</b>	<b>-0.3</b>	<b>-0.2</b>	<b>0.1</b>	<b>0.2</b>
<b>5. Interests</b>	<b>1.6</b>	<b>1.6</b>	<b>1.7</b>	<b>1.6</b>	<b>1.7</b>	<b>1.6</b>
<b>6. Overall Balance</b>	<b>-2.2</b>	<b>-2.1</b>	<b>-1.9</b>	<b>-1.8</b>	<b>-1.6</b>	<b>-1.4</b>

1/ Ratios on % of GDP and real % changes represent accumulated in the last 12 months as of February.  
2/ Includes capital income of the general government and primary balance from state-owned companies.  
\* Forecast.

IR: Inflation Report.

**ECONOMIC BALANCE OF THE NON-FINANCIAL PUBLIC SECTOR: 2017 - 2027**

(% GDP)



Memo: The economic result is calculated as current income of the General Government - Non-financial expenditures of the General Government + other (capital income of the General Government and primary result of state-owned enterprises) - interest payment on debt of the Non-Financial Public Sector.  
\* Forecast.  
Source: BCRP.

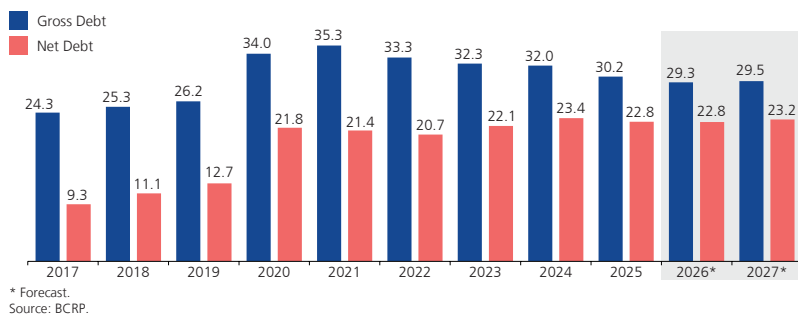
The **net debt** of the Non-Financial Public Sector is projected to rise from 22.8 percent to 23.2 percent of GDP between 2025 and 2027. Meanwhile, the **gross debt** of the Non-Financial Public Sector is estimated to decline from 30.2 percent to 29.5 percent of GDP by the end of the projection horizon. The forecast assumes a reduction in public assets, which would fall from 7.4 percent of GDP in 2025 to 6.3 percent in 2027, underscoring the need to maintain a path of declining deficits to stabilize debt without depleting public financial assets.

The Board of Directors of BCRP decided to keep the **benchmark rate** at 4.25 percent at the Monetary Policy meetings in January, February, and March. Thus, the real benchmark rate has been hovering around the estimated neutral rate (2 percent). In the monetary policy statements, the Board reiterated its commitment to taking the necessary actions to ensure that inflation remains within the target range.

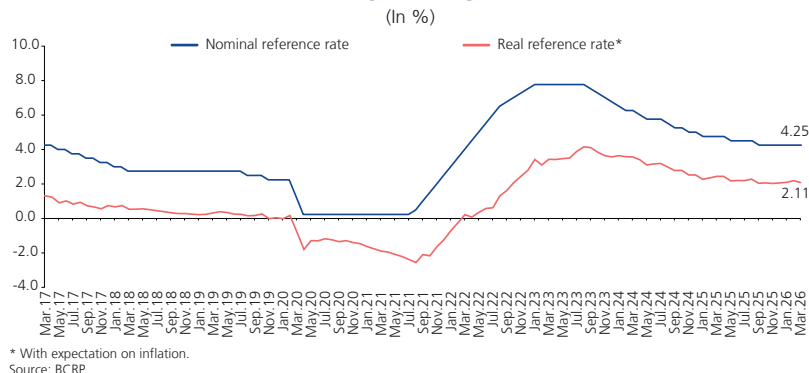
**Interest rates in domestic currency** continued to move in line with the benchmark rate, particularly in the segments with lower credit risk and shorter maturities. As expected, the year-on-year growth rate of broad money in domestic currency (currency in circulation plus deposits) accelerated, rising from 10.6 percent in December 2025 to 11.7 percent in January 2026. For its part, during the same period and also in line with projections, the year-on-year growth rate of broad money in domestic currency **Credit to the private sector** rose from 6.5 percent in December 2025 to 7.2 percent in January 2026, driven primarily by the corporate and large-business segments; and, to a lesser extent, by medium-sized businesses and micro and small enterprises (MSEs), as well as by mortgage lending, in line with the recovery in economic activity. Looking ahead, credit to the private sector is expected to grow at rates between 8 and 7 percent in 2026 and 2027, in line with the forecast for growth in economic activity and the reduction in non-performing loans.

**Year-on-year inflation** rose from 1.37 percent in November 2025 to 2.21 percent

**NON-FINANCIAL PUBLIC SECTOR DEBT: 2017- 2027**  
(% GDP)



**REFERENCE INTEREST RATE**  
(ln %)

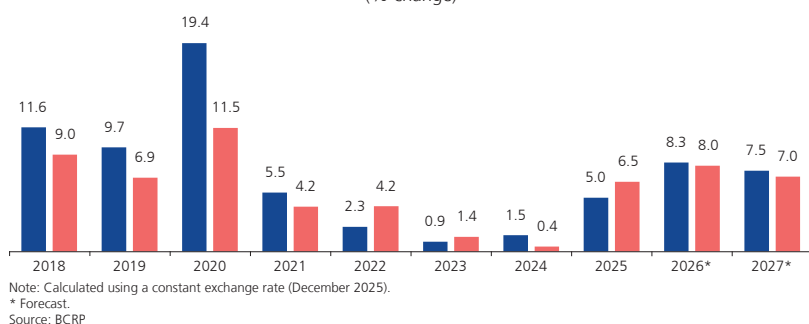


**INTEREST RATES IN DOMESTIC CURRENCY<sup>1/</sup>**  
(%)

	Dec.22	Dec.23	Dec.24	Sep.25	Dec.25	Mar.26	Average since 2010 <sup>2/</sup>
<b>Liabilities</b>							
Corporate Preferential 90 days	8.1	6.7	4.5	4.4	4.3	4.1	3.9
TIPMN	3.0	3.5	2.4	2.2	2.0	2.0	2.3
FTIPMN	3.7	3.1	2.2	2.2	1.9	2.1	2.3
Deposits up to 30 days	7.4	6.7	4.4	4.2	3.9	3.8	3.6
Individuals	3.7	3.3	3.3	3.2	3.4	3.4	2.5
Business	7.4	6.7	4.4	4.2	3.9	3.8	3.6
Term deposits from 31 to 90 days	7.5	6.6	4.4	4.2	4.1	3.9	3.8
Individuals	3.7	6.1	3.9	3.9	3.7	3.6	2.4
Business	7.8	6.8	4.7	4.4	4.3	4.0	3.9
Term deposits from 91 to 180 days	7.6	6.2	4.1	3.9	3.9	3.8	3.9
Individuals	4.8	5.9	3.7	3.5	3.4	3.3	2.9
Business	8.5	6.9	4.8	4.4	4.4	4.3	4.2
Term deposits from 181 to 360 days	7.6	5.7	4.2	4.1	4.2	4.1	4.1
Individuals	6.9	5.0	3.7	4.0	4.0	3.9	3.8
Business	7.8	6.2	4.6	4.2	4.4	4.2	4.3
Term deposits over 360 days	6.8	5.4	4.1	3.9	4.0	3.8	4.3
Individuals	5.9	5.0	3.7	3.6	3.7	3.7	4.3
Business	7.8	6.0	4.5	4.4	4.4	4.4	4.3
CTS	2.6	2.0	2.0	2.5	2.0	2.5	3.0
<b>Active</b>							
Corporate Preferential 90 days	9.2	7.5	5.1	4.9	4.8	4.7	4.7
TAMN	14.5	15.9	15.0	15.5	17.1	17.0	15.6
FTAMN	28.3	28.4	27.5	29.4	31.4	31.5	22.2
Corporate	8.9	8.1	5.8	5.8	5.7	5.1	5.4
Large Businesses	10.6	10.2	8.4	7.8	7.6	7.7	7.1
Medium-sized Businesses	14.1	13.3	10.3	10.7	9.8	10.1	10.4
Small Businesses	22.5	22.9	19.8	20.1	19.5	20.1	20.4
Microenterprises	35.7	37.7	46.3	70.6	71.4	70.3	36.2
Microenterprises <sup>3/</sup>	39.3	43.9	48.8	56.2	57.8	57.6	41.8
Consumption	49.6	56.9	59.9	55.6	61.1	58.6	44.8
Consumption <sup>3/</sup>	47.7	54.3	55.6	55.9	54.9	57.8	49.0
Mortgage	9.9	9.1	8.2	7.9	7.9	7.8	8.4

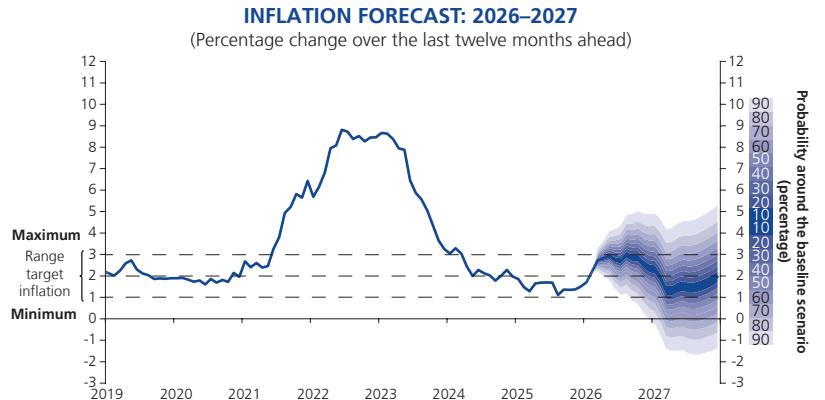
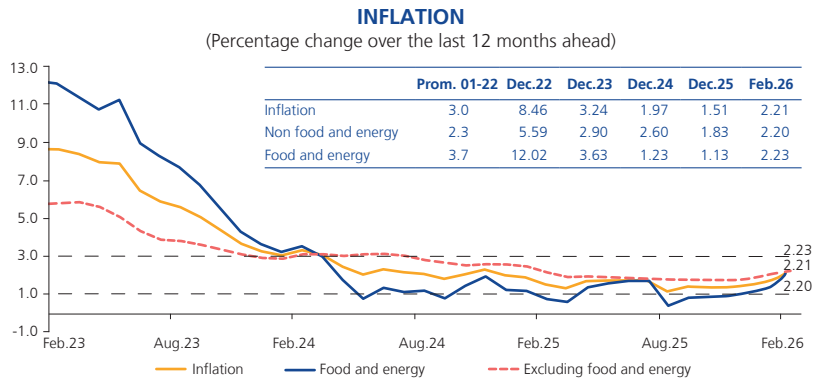
1/ Annualized rates for bank transactions over the past 30 days.  
2/ Calculated as of September 2010. For consumer credit in the financial system, this is the average since October 2019.  
3/ Refers to the average for the financial system.  
On July 14, 2023, the SBS published Resolution No. 2368-2023, which amended the definitions of business credit segments; these amendments took effect on October 1, 2024.  
As of March 13.  
Source: BCRP and SBS.

**CREDIT TO THE PRIVATE SECTOR**  
(% change)



in February 2026, driven by higher prices for certain food items, such as chicken and potatoes, and for services like water supply, while remaining within the target range. Inflation excluding food and energy (SAE) rose from 1.77 to 2.20 percent over the same period due to the aforementioned changes in water rates and rising transportation costs, remaining within the target range.

Inflation is projected to be 2.4 percent in 2026 and 2.0 percent in 2027, assuming that the shocks to fuel prices are temporary. The inflation rate is projected to remain in the upper end of the target range in the coming months due to food price increases caused by weather conditions, the recent rise in international fuel prices, and restrictions on natural gas and NGL.

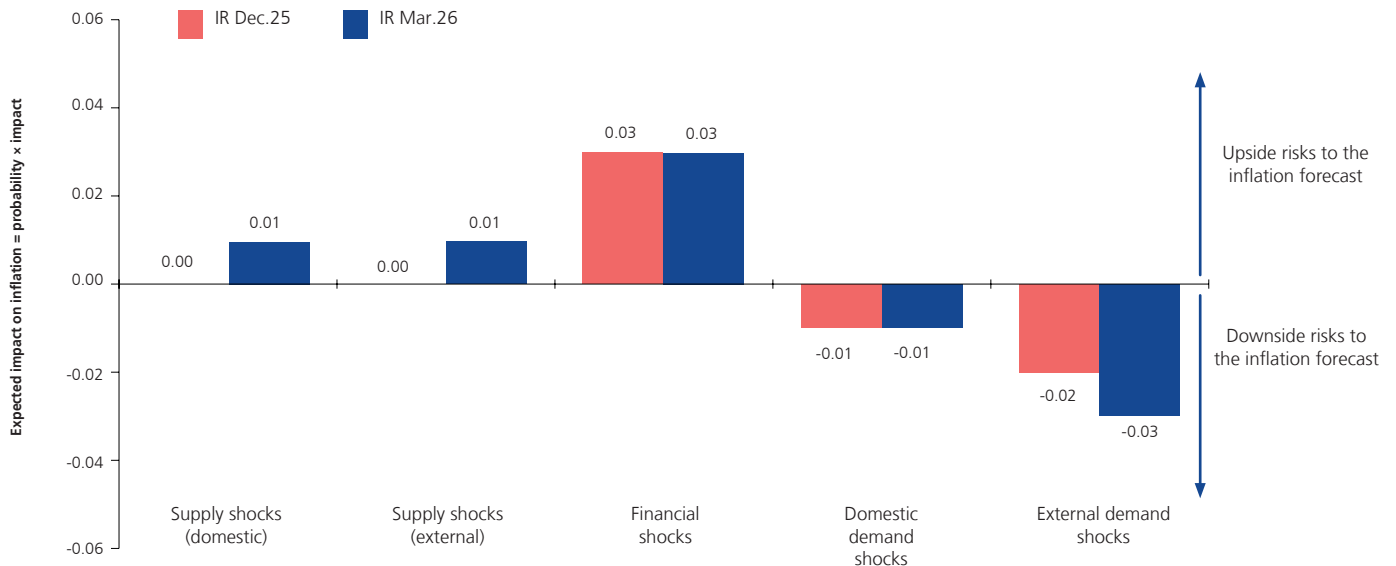


Note: This fan chart shows the distribution of possible values for the inflation forecast over the projection horizon. Its central line represents the mode of the distribution and shows the baseline scenario presented in this Inflation Report. Each pair of bands in the fan chart (each shade or hue) represents a 10 percent probability and indicates the possible values for inflation over the forecast horizon associated with this level of confidence. Source: BCRP.

## Balance of risks

**The risks to the inflation projection** have been revised upward compared to the December Report. Key risks include: (i) greater supply shocks, both domestic and external, associated with the possible intensification and persistence of the Coastal El Niño and the escalation of geopolitical tensions; (ii) episodes of financial volatility and capital outflows, should situations of greater domestic political uncertainty and international factors arise; (iii) a weakening of domestic demand should the aforementioned scenario of high political uncertainty materialize; and (iv) lower external demand in the face of a slowdown in Global growth and a deterioration in the terms of trade.

### INFLATION RISK BALANCE



## SUMMARY OF FORECASTS

	2025	2026*		2027*	
		IR Dec.25	IR Mar.26	IR Dec.25	IR Mar.26
<b>Real % change</b>					
1. Gross domestic product	3.4	3.0	3.2	3.0	3.2
2. Domestic demand	5.8	3.5	4.9	3.2	3.3
<i>a. Private consumption</i>	3.6	3.0	3.4	3.0	3.0
<i>b. Public consumption</i>	2.8	2.5	2.7	1.2	2.3
<i>c. Fixed private investment</i>	10.0	5.0	9.5	5.0	5.0
<i>d. Public investment</i>	5.7	1.0	1.0	1.0	1.0
3. Exports of goods and services	4.4	2.5	1.6	2.1	4.0
4. Imports of goods and services	12.8	4.4	7.7	3.1	4.2
5. Global GDP growth	3.3	3.0	3.1	2.9	3.0
Note:					
Product gap <sup>1/</sup> (%)	-0.5 ; 0.5	-0.5 ; 0.5	-0.5 ; 0.5	-0.5 ; 0.5	-0.5 ; 0.5
<b>% change</b>					
6. Inflation (end of period)	1.5	2.0	2.4	2.0	2.0
7. Expected inflation <sup>2/</sup>	2.5	2.2	2.1	2.2	2.2
8. Expected depreciation <sup>2/</sup>	-9.9	2.9	0.3	1.4	0.6
9. Terms of trade	19.2	6.4	11.5	-1.4	-0.6
<i>a. Export prices</i>	16.7	6.3	19.4	0.8	-0.6
<i>b. Import prices</i>	-2.1	-0.1	7.1	2.3	0.0
<b>Nominal % change</b>					
10. Current assets	14.6	5.0	10.0	3.0	6.0
11. Credit to the private sector	6.5	6.0	8.0	6.0	7.0
<b>% GDP</b>					
12. Gross fixed investment	21.7	21.6	21.6	21.9	21.8
13. Current account balance of payments	3.1	2.6	3.2	2.3	3.1
14. Trade balance	10.1	10.3	11.4	9.8	11.0
15. Medium- and long-term private external debt <sup>3/</sup>	9.9	8.5	7.9	7.7	6.9
16. Current revenue of the General Government	19.0	19.2	19.0	19.2	19.1
17. Non-financial expenditure of the General Government	20.0	19.4	19.2	19.1	19.0
18. Economic result of the non-financial public sector	-2.2	-1.9	-1.8	-1.6	-1.4
19. Total public debt balance	30.2	31.2	29.3	32.1	29.5
20. Net public debt balance	22.8	23.8	22.8	24.6	23.2

IR: Inflation Report.

\* Projection.

1/ Differential between GDP and potential GDP (as a percentage of potential GDP).

2/ Survey of expectations among analysts and financial institutions conducted at the time of publication of the respective Inflation Report. For 2025, observed data has been used for depreciation, and the average of expectations throughout the year has been used for inflation.

3/ Includes domestic currency obligations to non-residents.