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# Latam Daily: Mexican Headline Inflation Accelerates, but Core Slows

- Mexico: Headline inflation accelerates in early February, exceeding expectations**

In the first half of February, consumer inflation exceeded expectations by accelerating to 3.92% year-on-year, from 3.82% previously and above the 3.89% consensus (chart 1). However, the core component slowed to 4.52% (vs. 4.57% consensus), from 4.56% previously. Within this category, goods eased from 4.61% to 4.60%, while services moderated to 4.44% from 4.52%.

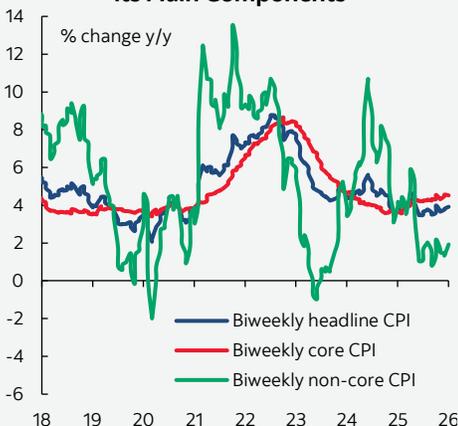
Meanwhile, the non-core component of the price index rose to 1.92% from 1.34% previously, driven by an increase in agricultural products, which climbed to 3.25% from 1.65%, particularly in fruits and vegetables. As for energy prices, they declined for the third consecutive period, by -1.64%.

In biweekly sequential terms, headline inflation stood at 0.25% (vs. 0.21% consensus), while the core component registered 0.22% (vs. the 0.27% expected).

—Rodolfo Mitchell, Miguel Saldaña & Martha Cordova

Chart 1

**Mexico: Biweekly Inflation and its Main Components**



Sources: Scotiabank Economics, INEGI.

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