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#### Table of Contents

Overview	2-3
Country Updates	4-6
Market Events & Indicators	7
Forecast Updates	8-10
Key Economic Charts	11
Key Market Charts	12
Yield Curves	13

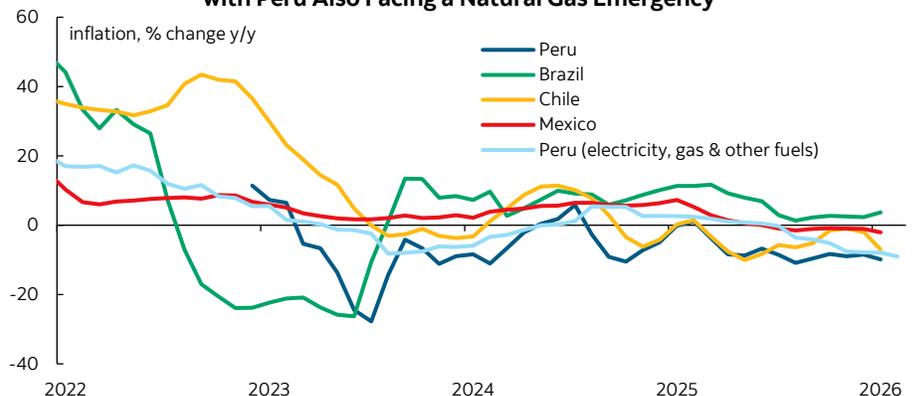
## Latam Weekly: (Stale) Global Inflation

### HIGHLIGHTS

- Inflation readings from a handful of key economies are in the data spotlight next week, but a sharp rise in energy prices over the past week amid the conflict in the Middle East means the data corresponds to a different reality.
- Peru is also dealing with the unfortunate suspension of a key gas pipeline due to leaks, just as concerns grow over a developing El Niño which is our team's topic of discussion in today's report. In light of inflation risks, the BCRP will stay put at next week's rate decision.
- Mexican and Brazilian full-month inflation data should come and go, with local traders trimming rate cut expectations from Banxico and the BCB. As our economists discuss today, Mexico may be a large producer of crude oil but it is highly dependent on international energy supplies, thus leaving domestic inflation at risk of global prices.
- Chile's latest inflation print and soft economic readings may have backed a March rate cut, but external developments favour a cautious stance. Kast takes over the presidency on Wednesday, with local markets awaiting the rollout of pro-business policies.

#### Chart of the Week

**Middle East Conflict Threatens Gasoline Inflation Trends, with Peru Also Facing a Natural Gas Emergency**



Sources: Scotiabank Economics, INEI, INEGI, INE, IBGE.

Chart of the Week: Prepared by: Anthony Bambokian, Senior Economic Analyst.

## (Stale) Global Inflation

- **Inflation readings from a handful of key economies are in the data spotlight next week, but a sharp rise in energy prices over the past week amid the conflict in the Middle East means the data corresponds to a different reality.**
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- **Mexican and Brazilian full-month inflation data should come and go, with local traders trimming rate cut expectations from Banxico and the BCB. As our economists discuss today, Mexico may be a large producer of crude oil but it is highly dependent on international energy supplies, thus leaving domestic inflation at risk of global prices.**
- **Chile's latest inflation print and soft economic readings may have backed a March rate cut, but external developments favour a cautious stance. Kast takes over the presidency on Wednesday, with local markets awaiting the rollout of pro-business policies.**

Inflation readings from around some of the world's key economies are in the data spotlight next week, but one may as well pay only limited attention to the figures. Military strikes in the Middle East that began last weekend are showing no signs of letting-up, with tanker transit in the Strait of Hormuz virtually offline—locking in the transportation of about a fifth of global oil and gas flows.

Brent oil prices have risen by a third since last Friday's close (50%+ in the year-to-date) and European natural gas prices have jumped by two-thirds (80%+ in the year-to-date). The latter is not a massive risk for the American continent thanks to within-continent supplies, or more-diversified sources, while U.S. natural gas prices are up a more modest 10–15% since Friday and flat in the year-to-date.

However, the hemisphere will not be able to avoid the knock-on effects of international oil prices on domestic gasoline prices which are lining up to deliver inflationary pressures that will not be captured in next week's February data. Risk-off sentiment has also acted against Latam currencies, which are down from 0.5% for the COP to ~3–4% for the BRL, MXN, PEN and CLP for the week.

Peru is also dealing with the unfortunate timing of a key gas pipeline leak whose shipments (practically all of Peru's natural gas supply) have now been suspended, leaving national supply at less than 10% capacity. To boot, the severity of El Niño, which our economists discuss in today's report, stands as a possible risk for the local economy and inflation. The BCRP's decision on Thursday should see no shift in policy rates, with the focus squarely on the assessment of risks.

Inflation data from Mexico, Brazil, U.S. (CPI and PCE), China, and Norway due over the coming week will be but a reflection of conditions prior to this large energy shock of to-be-determined duration. Were the conflict to reach a resolution over the next few weeks, February inflation readings could be relied on to gauge the 'rough' state of inflationary trends, but it is anyone's guess how long it will last (seemingly at least a few weeks) and how quickly energy flows will return to normalcy, or whether this energy spike can have lasting second-round effects on prices and inflation expectations.

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March 6, 2026

Under elevated geopolitical and energy prices uncertainty, the response from central banks in Latam and elsewhere will likely one of staying put or scaling back moves until a clearer analysis can be made.

This means that Banxico will probably sit back at its late-March meeting (which was our expectation even prior to the weekend's events) and possibly a few more meetings beyond depending on how the situation evolves; at writing, markets are assigning ~15% odds of a quarter-point cut on the 26<sup>th</sup>. Monday's February CPI, seen at 4% and 4.5% in headline and core terms, respectively, in line with mid-month readings will come and go for markets. Our economists in Mexico go over where the country stands in regard to the latest international developments.

Aside from news from the Middle East, there may also be some focus on the lead-up to the formal start of the USMCA review on March 16<sup>th</sup> and, on a related note, Banxico's quarterly report on regional economies out on Thursday may have some colour on how firms are dealing with trade uncertainty.

Most Brazilian traders have also abandoned expectations for a half-point cut by the BCB on the 18<sup>th</sup>, with 30–35bps priced in compared to 45–50bps last Friday. Like Mexico, the February IPCA release out on Thursday will be of lesser importance for market participants, as will retail sales and services volumes figures out over the week—even if they confirm economic sluggishness in the country. It's not just near-term expectations that have shifted in just a few days. At end-February, traders saw ~275bps in total BCB cuts by year-end. Today, they see about 75bps less.

In Chile, as our team wrote [this morning](#), recent inflation and economic data would be supportive of a 25bps cut on the 24<sup>th</sup>, but the external backdrop of higher energy prices and currency weakness have all but zeroed out cut odds, as the BCCh will probably opt for patience and monitoring. We'll see how economists have adjusted their policy and economic expectations in the results to the BCCh's survey on Tuesday. José Antonio Kast also takes over the presidency on the 11<sup>th</sup>, with markets and economists set to keep a close eye on his first few weeks to roll out transformative pro-business policies, and how he may deal with a possible international energy crisis.

Finally, the result of Sunday's legislative elections in Colombia will be the main topic of discussion at the Monday open, with a strong performance for candidates from the left adding to concerns in markets of rising odds that Cepeda takes the presidency at the end-May vote (with a second round on June 21<sup>st</sup>). The balance of Congress between the right, independents, and the left following Sunday's vote could also check the reach of Colombia's next president once their term begins in August. Data-wise, retail sales and industrial production figures out at the start of the week will be a secondary influence on markets that will focus on election results, geopolitical developments, and this afternoon's February CPI release.

## Country Updates

### Mexico—Amid the Middle East Geopolitical Shock: Production, Energy Deficit, and Macroeconomic Implications

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Mexico maintains a relevant but limited presence in the international oil market. National production reached 1.64 mb/d in November 2025 and 1.40 mb/d in December under the extended OPEC+ framework, equivalent to around 3.2% of the bloc's supply. This participation contrasts with that of the main producers—Saudi Arabia and Russia, both above 9.5 mb/d, and Iraq, the United Arab Emirates, and Iran, between 3.4 and 4.3 mb/d—highlighting Mexico's position as a medium-scale producer in the global context. Nevertheless, the country's energy structure is characterized by a persistent deficit: Mexico imports roughly 1.20 mb/d of crude oil, in addition to large volumes of gasoline, diesel, and natural gas. This structural component of the energy balance increases its vulnerability to external shocks and is already reflected in the trade balance, which posted a deficit of 6.48 billion dollars in January 2026.

The recent conflict involving Iran, the U.S., and Israel has heightened these risks. The Strait of Hormuz—through which roughly one-fifth of global crude oil and liquefied natural gas supply flows—has faced de facto disruptions in ship traffic following attacks on vessels in the region. In response, international prices have surged: Brent has accumulated an increase of about 50% so far this year. For Mexico, a prolonged blockage of Hormuz traffic would imply increases in the cost of crude and refined-product imports, additional pressure on logistics and on the margins of Pemex and private operators, and greater risks of inflation pass-through—especially if not mitigated through fiscal policy.

Additionally, the Mexican peso exhibited the typical behaviour seen in global risk-off environments: on March 3<sup>rd</sup> it fell 2.3% to 17.70 pesos per dollar, its worst session since April 2025. Since mid-February, the exchange rate has moved from around 17.15 to around 17.80 at writing, accompanied by a rebound in one-month implied volatility. A sustained depreciation tends to amplify the cost of imported energy and puts upward pressure on inflation through fuel prices, road transport, and logistics chains.

Regarding domestic prices, Mexico had faced a relatively benign environment through January. Headline inflation stood at 3.79% year-on-year, and energy inflation—previously a significant source of pressure in 2023—showed a sharp correction, falling from 3.50% in May 2025 to -1.16% in January 2026. However, the recent increase in oil and gasoline prices could reverse this trend, raising the risk of second-round effects in key inputs such as transportation, food, and manufacturing, especially given that gasoline carries a 5.32% weight in the CPI. At this point, fiscal policy plays a central role: Mexico's excise tax on gasoline (IEPS), determined as the difference between the final price and the producer price, provides room to smooth impacts. Currently, the tax sets rates of 6.70 pesos per litre for lower-octane gasoline, 5.66 pesos for higher-octane gasoline, and 7.36 pesos per litre for diesel. A temporary reduction in these rates could contain inflationary pressures, though at the cost of increased fiscal commitments.

In sum, Mexico combines meaningful oil production with a high dependence on imports of light crude, gasoline, and natural gas—raising its exposure to global disruptions such as the current one. The conflict in the Middle East increases the probability of higher energy inflation, exchange-rate pressure, and a widening external deficit. To mitigate these risks, the economic policy agenda should focus on: (i) countercyclical and prudent use of IEPS; (ii) active management of inventories and supply contracts; (iii) clear communication by Banxico to anchor expectations amid possible temporary price spikes; and (iv) the promotion of infrastructure, logistics, and refining projects that reduce structural import dependence without compromising fiscal sustainability.

## Peru—El Niño in Peru: Implications and Impacts

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In recent weeks, concerns have increased regarding the development of an El Niño phenomenon (FEN) off the coast of Peru. According to the February 27<sup>th</sup>, 2026, statement from the multisectoral commission in charge of the National Study of the El Niño Phenomenon (ENFEN), a Coastal El Niño is developing and is expected to last until November (chart 1).

El Niño events are typically characterized by an increase in sea surface temperature (SST), which generates above-average rainfall along the Peruvian coast (Niño 1+2), particularly in the north of the country (Tumbes, Piura, and to a lesser extent, Lambayeque and La Libertad). However, not all El Niño events are the same, and their impacts on infrastructure and economic activity depend on the onset date, the intensity of the sea surface warming, and the duration of the climatic event.

The current El Niño event began in March, unlike the 2017 El Niño, which began in January of that year (chart 2). This distinction is relevant because Peru’s rainy season typically runs between December and March; consequently, the fact that the current El Niño event is starting in March—when the rainy season usually ends—may potentially have a less damaging effect on road infrastructure (highways, bridges, etc.). According to ENFEN, warm environmental conditions of a “weak” magnitude—defined as a sea surface temperature (SST) increase between 0.5°C and 1.3°C—are most likely during most of the event, potentially reaching a “moderate” magnitude—SST increase of between 1.3°C and 2.1°C—before July.

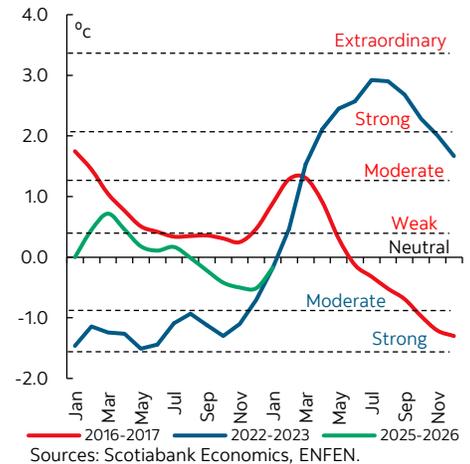
The magnitude of the economic impact will largely depend on the intensity and duration of the weather event. It’s worth noting that a “weak” El Niño event usually doesn’t cause significant damage to road infrastructure, allowing most economic activity to continue normally. By contrast, a “moderate” event could generate infrastructure damage and logistical disruptions, particularly in affected northern regions. Transport constraints could limit the usual flow of goods to and from these areas, with potential negative effects on both GDP and inflation, especially if supply chains are temporarily disrupted.

In the case of the fishing sector, a “weak” El Niño event would not have major effects on anchovy biomass, considering previous events of similar intensity. A “moderate” El Niño, however, could lead anchovy schools to move deeper into the water or southward in search of cooler waters—their natural habitat—making them more difficult to catch. Likewise, the rate of ocean warming will determine whether the potential impact—which would be reflected in a lower catch quota—occurs during the first fishing season (April to July) or the second (November to January). This would be partially offset by the greater availability of warm-water species—such as mahi-mahi, bonito, jack mackerel, and tuna—which would benefit fishing for Direct Human Consumption (DHC). Finally, it is worth noting that anchovy has proven to be a resilient species, recovering quickly after climatic events like El Niño.

Regarding the agricultural sector, a “moderate” El Niño event would have varying impacts across crops and regions. Crops located along the coast—where agricultural exports predominate—would be affected differently depending on the location of the valleys, with greater difficulties expected in the far north (Tumbes and Piura). Currently, the developing El Niño event is coastal, therefore droughts are not necessarily expected in the highlands—where crops for the domestic market predominate—as in past episodes when El Niño was global. In Piura, one of the most important crops is mango, whose harvest season largely concluded between December and February. Meanwhile, avocado harvesting is about to begin, and so far, no major impacts have been reported in Lambayeque and La Libertad. If above-normal temperatures persist, crop yields for products such as blueberries, citrus fruits, and olives could be affected. However, the major agricultural companies have invested in drainage systems to limit the potential damage from heavy rains.

Chart 1

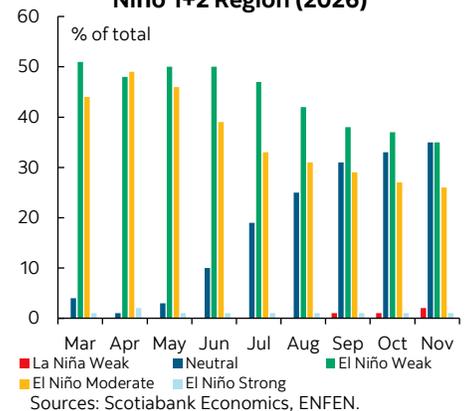
Peru: Relative SST Anomalies Niño 1+2



Sources: Scotiabank Economics, ENFEN.

Chart 2

Peru: Estimated Probabilities of Anomalous Warm Conditions in the Niño 1+2 Region (2026)



Sources: Scotiabank Economics, ENFEN.

March 6, 2026

If the El Niño episode is prolonged, it could affect the yields of the 2026/2027 growing season for crops such as blueberries, avocados, grapes, and asparagus, among others. However, lower production and, consequently, lower export volumes would not necessarily mean lower income for agricultural exporters, as they could benefit from higher prices, as occurred in 2023. On the other hand, above-average rainfall would allow for greater than normal water storage, which would benefit the 2025/2026 growing season for crops in coastal valleys with regulated irrigation, as well as for areas irrigated by wells due to aquifer recharge.

Other potentially affected sectors include tourism and the textile and apparel industry. In the case of tourism, above-average rainfall in the far north of the country (Tumbes and Piura) could damage hotel infrastructure located in beach areas—such as that seen in Máncora (Piura)—as well as reduce tourist traffic. These regions are popular destinations for domestic tourism during the summer season, both in March and during the Easter holidays (early April). Regarding the textile and apparel industry, a warmer-than-normal autumn and winter would reduce sales of warmer garments, which have a higher unit price compared to lighter garments that are in higher demand during El Niño events. This could lead to an unwanted accumulation of winter clothing inventories, although anticipating the arrival of the weather event could mitigate this risk.

Market Events & Indicators for March 7-20

CHILE

Date	Time Event	Period	BNS	Consensus	Latest	BNS Comments
Mar-09	7:30 Exports Total (USD mn)	Feb	--	--	10680	
Mar-09	7:30 Imports Total (USD mn)	Feb	--	--	6868.8	
Mar-09	7:30 Trade Balance (USD mn)	Feb	--	--	3811.2	
Mar-09	7:30 International Reserves (USD mn)	Feb	--	--	49851	
Mar-09	7:30 Copper Exports (USD mn)	Feb	--	--	4546	
Mar-10	7:30 Central Bank Economist Survey		--	--		
Mar-18	7:30 GDP q/q	4Q	--	--	-0.1	
Mar-18	7:30 GDP y/y	4Q	--	--	1.6	
Mar-18	7:30 Current Account Balance (USD mn)	4Q	--	--	-4598.6	
Mar-19	7:30 Central Bank Traders Survey		--	--	--	

MEXICO

Date	Time Event	Period	BNS	Consensus	Latest	BNS Comments
Mar-09	8:00 CPI m/m	Feb	0.4	0.46	0.4	We expect inflation to be revised upward for February. Our forecast places annual headline inflation at 3.93%, with a monthly increase of 0.46%. Core inflation is projected at 4.50% year-over-year, with a 0.46% monthly gain.
Mar-09	8:00 CPI y/y	Feb	3.9	3.98	3.8	
Mar-09	8:00 CPI Core m/m	Feb	0.5	0.45	0.6	
Mar-09	8:00 CPI Core y/y	Feb	4.5	4.49	4.5	
Mar-09	8:00 Vehicle Production	Feb	--	--	303980	
Mar-09	8:00 Vehicle Exports	Feb	--	--	224528	
Mar-09	8:00 Bi-Weekly CPI (%)	28-Feb	--	0.25	0.3	
Mar-09	8:00 Bi-Weekly Core CPI (%)	28-Feb	--	0.16	0.2	
Mar-09	8:00 Bi-Weekly CPI y/y	28-Feb	--	4.04	3.9	
Mar-09	8:00 Bi-Weekly Core CPI y/y	28-Feb	--	4.46	4.5	
Mar 09-10	Formal Job Creation Total	Feb	--	--	-8.1	
Mar-12	14:30 Mexico CB Releases Regional Economy Report		--	--		
Mar-13	8:00 Industrial Production NSA y/y	Jan	--	--	2.4	We expect Banxico's next rate cut to take place in May, with a 25 bps reduction. Our forecasts place year-end 2026 inflation at 3.90% and core inflation at 3.95%. We also project the exchange rate at 18.01 pesos per dollar by the end of 2026 and 18.77 in 2027. Regarding activity, we anticipate GDP growth of 0.6% in 2026 and 1.0% in 2027.
Mar-13	8:00 Manuf. Production NSA y/y	Jan	--	--	1.3	
Mar-13	8:00 Industrial Production SA m/m	Jan	--	--	0.2	
Mar 11-13	Nominal Wages	Feb	--	--	7.9	
Mar-20	Citi Survey of Economists		--	--		
Mar 13-20	ANTAD Same-Store Sales y/y	Feb	--	--	2.0	

PERU

Date	Time Event	Period	BNS	Consensus	Latest	BNS Comments
Mar-12	19:00 Reference Rate (%)	12-Mar	4.25	--	4.25	
Mar-15	11:00 Lima Unemployment Rate (%)	Feb	6.3	--	6.3	
Mar-15	11:00 Economic Activity y/y	Jan	3.0	--	3.8	

BRAZIL

Date	Time Event	Period	BNS	Consensus	Latest	BNS Comments
Mar-09	7:25 Central Bank Weekly Economist Survey		--	--	--	
Mar-11	8:00 Retail Sales m/m	Jan	--	--	-0.4	
Mar-11	8:00 Retail Sales y/y	Jan	--	--	2.3	
Mar-11	8:00 Retail Sales Broad m/m	Jan	--	--	-1.2	
Mar-11	8:00 Retail Sales Broad y/y	Jan	--	--	2.8	
Mar-12	8:00 IBGE Inflation IPCA m/m	Feb	--	--	0.3	
Mar-12	8:00 IBGE Inflation IPCA y/y	Feb	--	--	4.4	
Mar-13	8:00 IBGE Services Volume m/m SA	Jan	--	--	-0.4	
Mar-13	8:00 IBGE Services Volume y/y NSA	Jan	--	--	3.4	
Mar-16	7:25 Central Bank Weekly Economist Survey		--	--	--	
Mar-18	17:30 Selic Rate (%)	18-Mar	14.50	--	15.00	

COLOMBIA

Date	Time Event	Period	BNS	Consensus	Latest	BNS Comments
Mar-11	Consumer Confidence Index	Feb	--	--	18.2	
Mar-16	11:00 Retail Sales y/y	Jan	--	--	11.0	
Mar-16	11:00 Manufacturing Production y/y	Jan	--	--	-0.6	
Mar-16	11:00 Industrial Production y/y	Jan	--	--	-0.2	
Mar-18	12:00 Economic Activity NSA y/y	Jan	--	--	1.7	
Mar-19	11:00 Trade Balance (USD mn)	Jan	--	--	-1177.8	
Mar-19	11:00 Imports CIF Total (USD mn)	Jan	--	--	6050.7	

Forecasts at time of publication.

Sources: Scotiabank Economics, Bloomberg.

Forecast Updates

	2024	2025				2026				2027							
	Q4	Q1	Q2	Q3	Q4e	Q1f	Q2f	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f	2024	2025e	2026f	2027f
<b>Chile</b>																	
Real GDP (y/y % change)	4.0	2.6	3.3	1.6	1.7	0.7	3.8	2.8	2.8	2.9	2.1	2.6	2.2	2.6	2.3	2.5	2.5
CPI (y/y %, eop)	4.5	4.9	4.1	4.4	3.4	2.5	2.9	2.4	2.5	2.3	2.6	2.6	3.0	4.5	3.4	2.5	3.0
Unemployment rate (% avg)	8.1	8.7	8.9	8.5	8.1	7.9	8.0	8.0	7.6	7.3	7.5	7.6	7.4	8.1	8.1	7.9	7.5
Central bank policy rate (% eop)	5.00	5.00	5.00	4.75	4.50	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	5.00	4.50	4.25	4.25
Foreign exchange (USDCLP, eop)	995	951	932	963	901	870	870	870	870	870	870	870	870	995	901	870	870
<b>Mexico</b>																	
Real GDP (y/y % change)	0.3	0.6	-0.1	-0.1	1.8	0.6	0.5	0.7	0.5	1.7	1.2	0.4	0.5	1.4	0.6	0.6	1.0
CPI (y/y %, eop)	4.2	3.8	4.3	3.8	3.7	4.1	3.8	4.1	3.9	3.9	3.7	4.0	3.9	4.2	3.7	3.9	3.9
Unemployment rate (% avg)	2.5	2.5	2.7	2.9	2.6	3.2	3.3	3.4	3.4	3.5	3.6	3.7	3.7	2.7	2.6	3.3	3.8
Central bank policy rate (% eop)	10.00	9.00	8.00	7.50	7.00	7.00	6.50	6.50	6.50	6.50	6.50	6.50	6.75	10.00	7.00	6.50	6.75
Foreign exchange (USDMXN, eop)	20.83	20.47	18.75	18.31	18.01	17.52	17.68	17.84	18.01	18.19	18.39	18.58	18.77	20.83	18.01	18.01	18.77
<b>Peru</b>																	
Real GDP (y/y % change)	4.4	4.0	2.8	3.8	3.2	3.2	3.3	3.0	3.0	3.5	3.2	2.9	2.5	3.5	3.4	3.2	3.0
CPI (y/y %, eop)	2.0	1.3	1.7	1.4	1.5	2.5	2.1	2.1	2.2	1.5	1.8	2.0	2.0	2.0	1.5	2.2	2.0
Unemployment rate (% avg)	5.5	6.6	6.4	5.7	5.0	6.0	6.2	5.8	5.2	5.8	5.7	5.6	5.1	6.5	5.9	5.8	5.6
Central bank policy rate (% eop)	5.00	4.75	4.50	4.25	4.25	4.25	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00	4.25	4.00	4.00
Foreign exchange (USDPEN, eop)	3.74	3.68	3.54	3.47	3.36	3.39	3.32	3.35	3.35	3.40	3.37	3.42	3.45	3.74	3.36	3.35	3.45
<b>Brazil</b>																	
Real GDP (y/y % change)	3.6	3.1	2.4	1.8	1.8	1.5	1.7	1.8	2.0	2.0	1.9	1.8	1.8	3.4	2.3	1.8	1.9
CPI (y/y %, eop)	4.8	5.5	5.4	5.2	4.3	3.4	3.4	3.5	3.9	4.0	3.8	3.7	3.7	4.8	4.3	3.9	3.7
Unemployment rate (% avg)	6.2	7.0	5.8	5.6	5.1	6.0	5.7	5.7	5.6	6.4	6.2	6.2	6.2	6.2	5.1	5.8	6.3
Central bank policy rate (% eop)	12.25	14.25	15.00	15.00	15.00	14.50	13.50	12.50	12.00	11.75	11.25	10.75	10.50	12.25	15.00	12.00	10.50
Foreign exchange (USDBRL, eop)	6.18	5.71	5.43	5.32	5.47	5.44	5.47	5.50	5.50	5.50	5.50	5.50	5.50	6.18	5.47	5.50	5.50
<b>Canada</b>																	
Real GDP (y/y % change)	3.1	2.9	1.8	1.6	0.7	0.7	1.7	1.5	2.2	2.1	2.0	2.1	2.0	2.0	1.7	1.5	2.0
CPI (y/y %, eop)	1.9	2.3	1.8	2.0	2.2	2.3	2.3	2.1	2.2	2.1	2.1	2.1	2.0	1.9	2.2	2.2	2.0
Unemployment rate (% avg)	6.8	6.7	6.9	7.0	6.8	6.7	6.5	6.3	6.1	6.0	5.9	5.9	5.8	6.4	6.9	6.4	5.9
Central bank policy rate (% eop)	3.25	2.75	2.75	2.50	2.25	2.25	2.25	2.25	2.75	3.00	3.00	3.00	3.00	3.25	2.25	2.75	3.00
Foreign exchange (USDCAD, eop)	1.44	1.44	1.36	1.39	1.37	1.38	1.35	1.34	1.33	1.32	1.32	1.30	1.30	1.44	1.37	1.33	1.30
<b>United States</b>																	
Real GDP (y/y % change)	2.4	2.0	2.1	2.3	2.2	2.8	2.1	1.3	1.5	1.5	1.8	2.2	2.4	2.8	2.2	1.9	2.0
CPI (y/y %, eop)	2.7	2.7	2.5	2.9	2.8	2.7	2.6	2.4	2.4	2.5	2.5	2.6	2.6	2.7	2.8	2.4	2.6
Unemployment rate (% avg)	4.1	4.1	4.2	4.3	4.5	4.5	4.4	4.3	4.2	4.2	4.1	4.1	4.1	4.0	4.3	4.4	4.1
Central bank policy rate (% eop)	4.50	4.50	4.50	4.25	3.75	3.50	3.25	3.00	3.00	3.00	3.00	3.00	3.00	4.50	3.75	3.00	3.00
Foreign exchange (EURUSD, eop)	1.04	1.08	1.18	1.17	1.17	1.18	1.18	1.22	1.22	1.23	1.23	1.24	1.24	1.04	1.17	1.22	1.24

Sources: Scotiabank Economics, Bloomberg, BCB, Haver Analytics.  
Changes in estimates and forecasts since previous *Latam Weekly* on February 6, 2026.

**Forecast Updates—Changes Compared To Previous Latam Weekly**

	2024	2025				2026				2027							
	Q4	Q1	Q2	Q3	Q4e	Q1f	Q2f	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f	2024	2025e	2026f	2027f
<b>Chile</b>																	
Real GDP (y/y % change)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CPI (y/y %, eop)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unemployment rate (% avg)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Central bank policy rate (% eop)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange (USDCLP, eop)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2024	2025				2026				2027							
<b>Mexico</b>	Q4	Q1	Q2	Q3	Q4	Q1f	Q2f	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f	2024	2025	2026f	2027f
Real GDP (y/y % change)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CPI (y/y %, eop)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unemployment rate (% avg)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Central bank policy rate (% eop)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange (USDMXN, eop)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2024	2025				2026				2027							
<b>Peru</b>	Q4	Q1	Q2	Q3	Q4	Q1f	Q2f	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f	2024	2025	2026f	2027f
Real GDP (y/y % change)	-	-	-	-	0.2	-	-	-	-	-	-	-	-	-	0.1	-	-
CPI (y/y %, eop)	-	-	-	-	-	0.8	0.4	-	-	-0.6	-0.2	-	-	-	-	-	-
Unemployment rate (% avg)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Central bank policy rate (% eop)	-	-	-	-	-	0.25	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange (USDPEN, eop)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2024	2025				2026				2027							
<b>Brazil</b>	Q4	Q1	Q2	Q3	Q4	Q1f	Q2f	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f	2024	2025	2026f	2027f
Real GDP (y/y % change)	-	-	-	-	0.1	-	-	-	-	-	-	-	-	-	-	-	0.1
CPI (y/y %, eop)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unemployment rate (% avg)	-	-	-	-	-	-0.3	-0.2	-0.2	-0.4	-0.1	-0.3	-0.3	-0.3	-	-	-0.2	-0.2
Central bank policy rate (% eop)	-	-	-	-	-	-	-	-0.25	-0.25	-	-	0.25	-	-	-	-0.25	-
Foreign exchange (USDBRL, eop)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2024	2025				2026				2027							
<b>Canada</b>	Q4	Q1	Q2	Q3	Q4	Q1f	Q2f	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f	2024	2025	2026f	2027f
Real GDP (y/y % change)	-	-	-	-	0.1	-	-	-	-	-	-	-	-	-	0.1	-	-
CPI (y/y %, eop)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unemployment rate (% avg)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Central bank policy rate (% eop)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange (USDCAD, eop)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2024	2025				2026				2027							
<b>United States</b>	Q4	Q1	Q2	Q3	Q4	Q1f	Q2f	Q3f	Q4f	Q1f	Q2f	Q3f	Q4f	2024	2025	2026f	2027f
Real GDP (y/y % change)	-	-	-	-	0.1	-	-	-	-	-	-	-	-	-	0.1	-	-
CPI (y/y %, eop)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unemployment rate (% avg)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Central bank policy rate (% eop)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange (EURUSD, eop)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sources: Scotiabank Economics, Bloomberg, BCB, Haver Analytics.  
Changes in estimates and forecasts since previous *Latam Weekly* on February 6, 2026.

**Forecast Updates: Central Bank Policy Rates and Outlook**

**Latam Central Banks: Policy Rates and Outlook**

	Next Scheduled Meeting			BNS Forecast		BNS guidance for next monetary policy meeting
	Current	Date	BNS	End-2026	End-2027	
<b>Chile, BCCh, TPM</b>	4.50%	Mar-24	4.25%	4.25%	4.25%	We reiterate our call for a 25 bps rate cut on March 24, bringing the policy rate to the new neutral centre of 4.25%.
<b>Mexico, Banxico, TO</b>	7.00%	Mar-26	7.00%	6.50%	6.75%	Banxico paused its easing cycle in its latest decision. If inflationary pressures persist over the next couple of months—particularly in core prices—while the Mexican peso remains near its recent levels, the economy continues to stagnate, and the rate spread between Banxico and the Fed remains unchanged, there would be no need to cut rates until May.
<b>Peru, BCRP, TIR</b>	4.25%	Mar-12	4.25%	4.00%	4.00%	We expect the policy rate to remain unchanged in March at 4.25%. We have projected an additional cut for 2026; however, this estimate could be revised, which would keep the rate at 4.25% throughout the year. We will assess the impact of oil prices on the domestic economy, as well as the effects of the El Niño phenomenon. The shortage of natural gas will also exert upward pressure on inflation in March, although this effect is likely to reverse in the short term. March inflation will stand above the 2.2% recorded in February, we estimate it to be around 2.5%.
<b>Brazil, BCB, Selic</b>	15.00%	Mar-18	14.50%	12.00%	10.50%	

Sources: Scotiabank Economics, Scotiabank GBM, Bloomberg.

Key Economic Charts

Chart 1

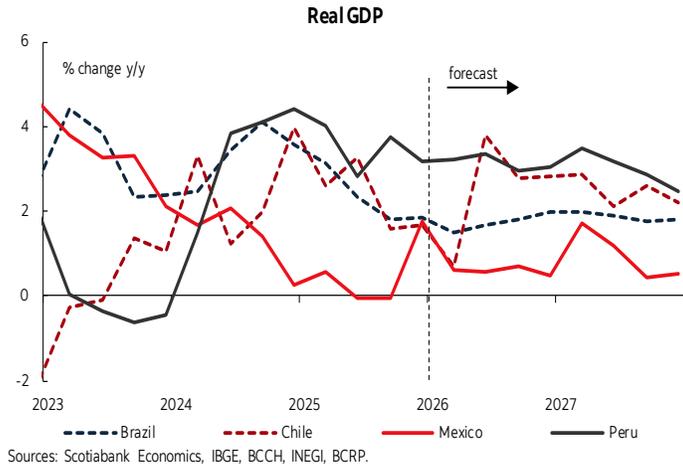


Chart 2

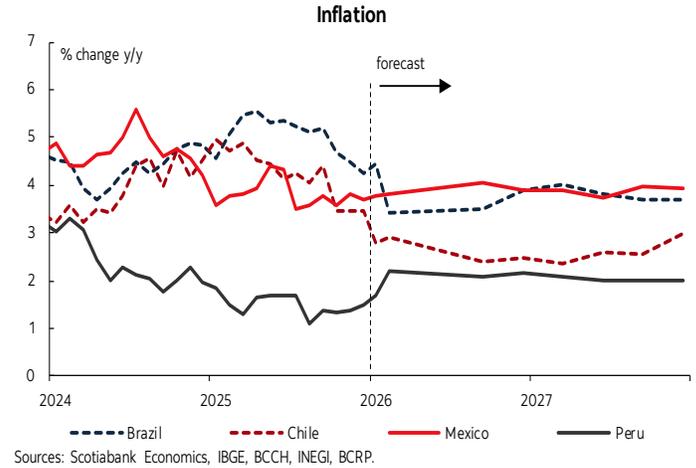


Chart 3

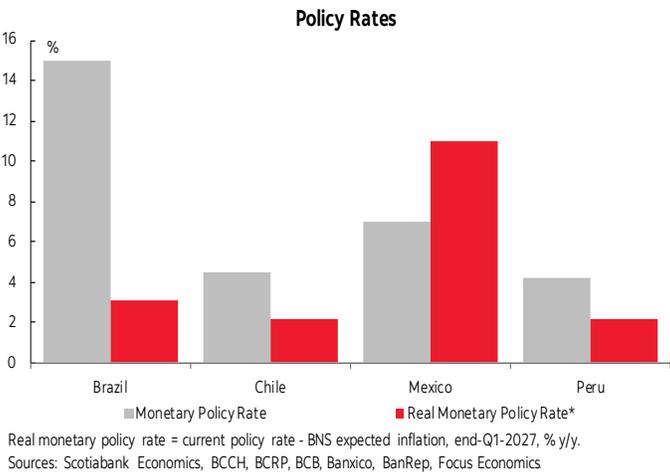
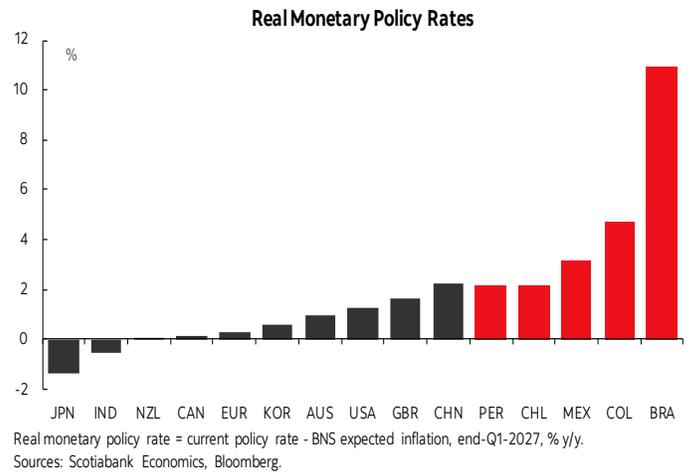


Chart 4



Key Market Charts

Chart 1

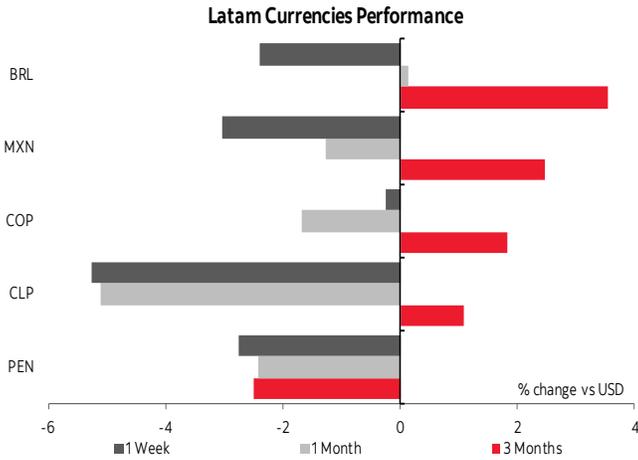


Chart 2

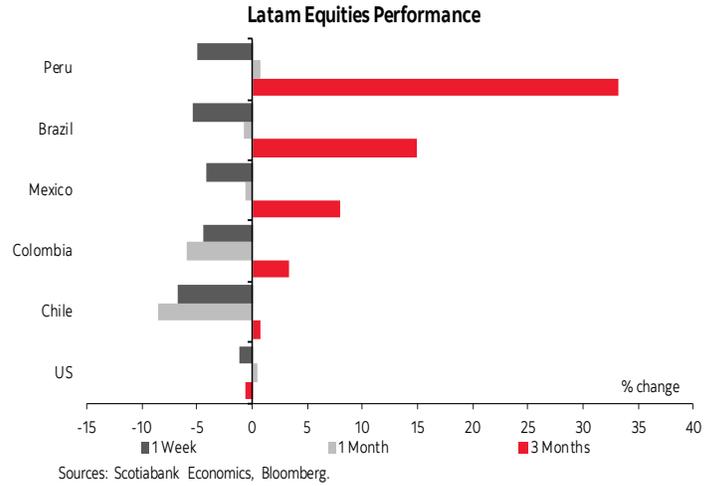


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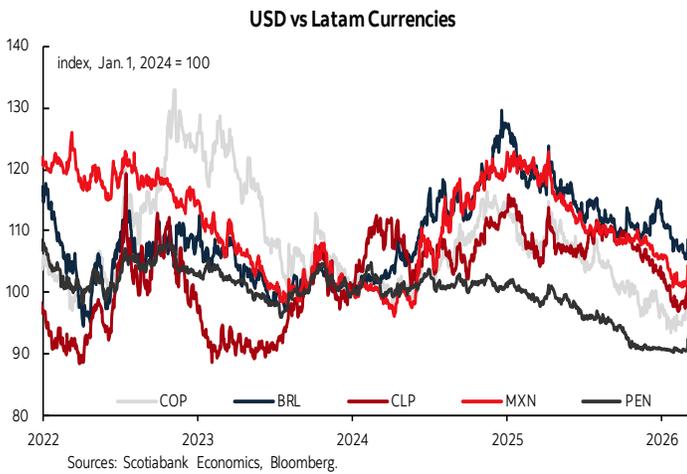
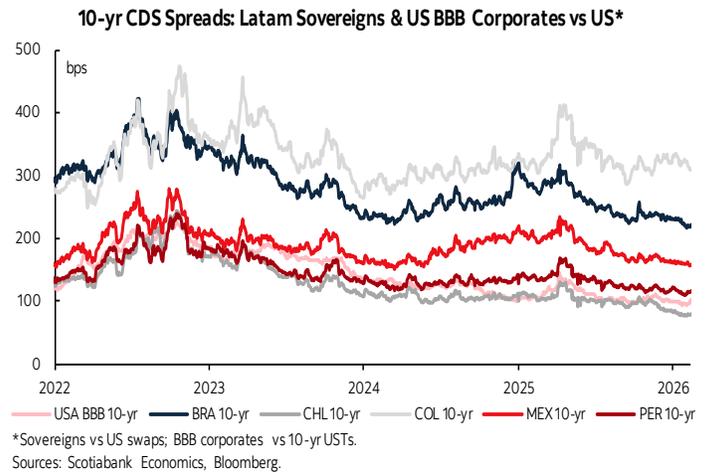
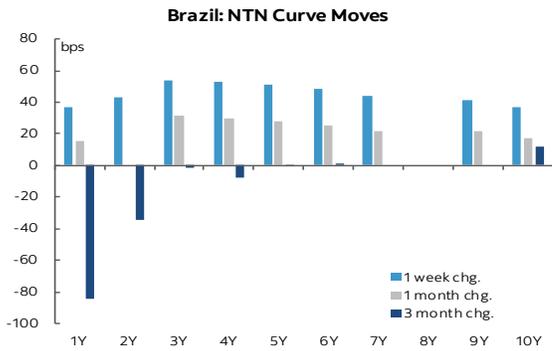


Chart 4



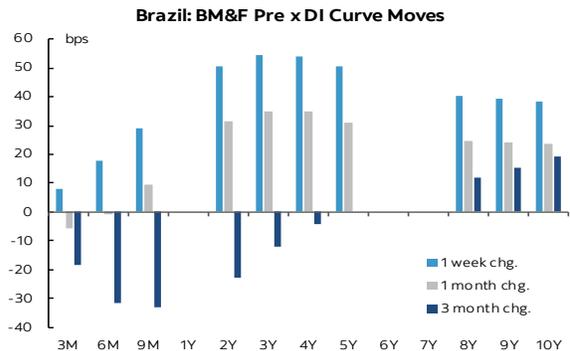
Yield Curves

Chart 1



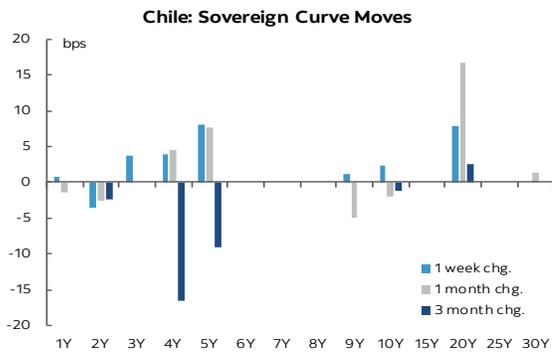
Sources: Scotiabank Economics, Bloomberg.

Chart 2



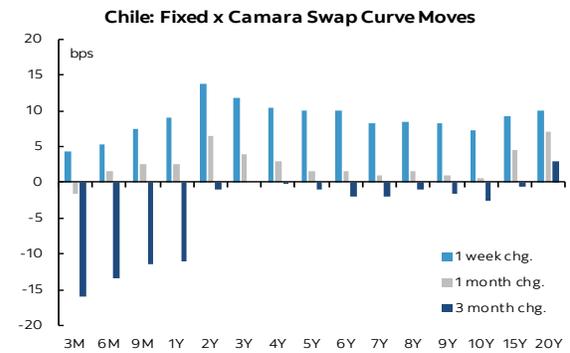
Sources: Scotiabank Economics, Bloomberg.

Chart 3



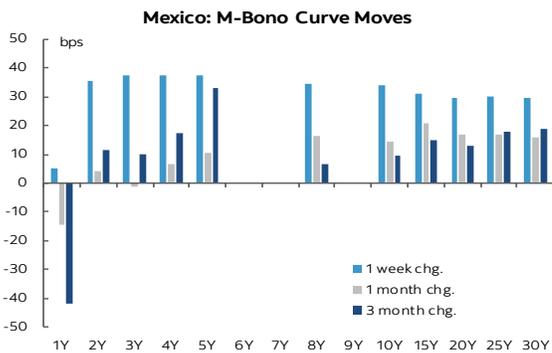
Sources: Scotiabank Economics, Bloomberg.

Chart 4



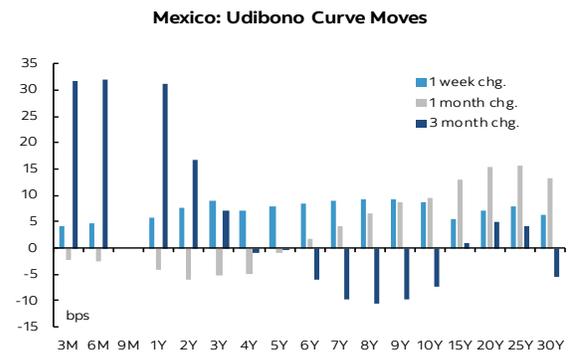
Sources: Scotiabank Economics, Bloomberg.

Chart 5



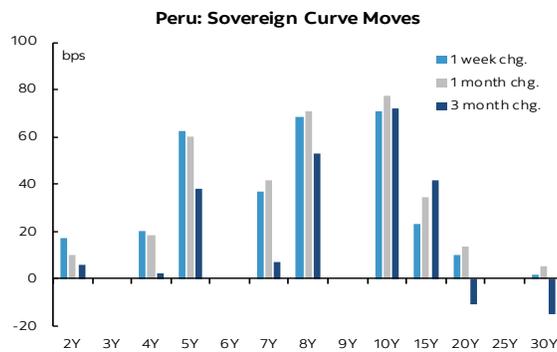
Sources: Scotiabank Economics, Bloomberg.

Chart 6



Sources: Scotiabank Economics, Bloomberg.

Chart 7



Sources: Scotiabank Economics, Bloomberg.

## Scotiabank Economics Latam Coverage

## Local Market Coverage

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