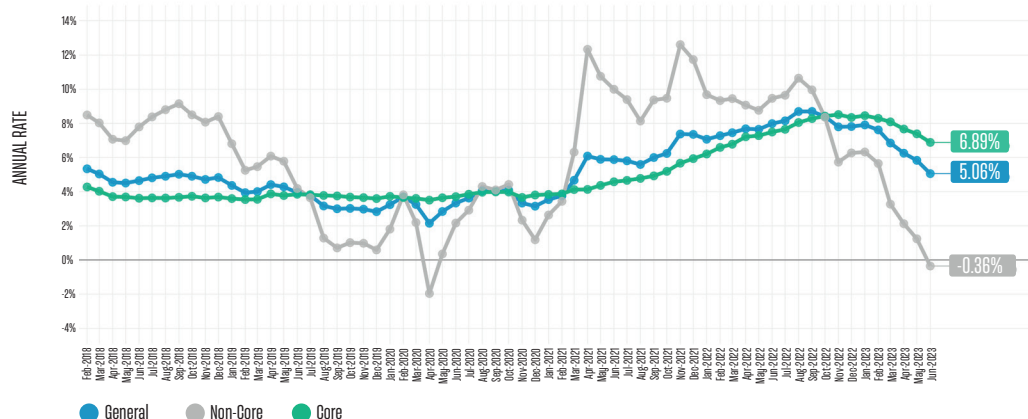


Mexico's Inflation Hits Minimum Point Since March 2021 in June

In June 2023, annual general inflation in Mexico reached 5.06%, the lowest since March 2021, while core inflation decreased to 6.89%. Although food prices remain high, they exhibited a slowdown with an annual variation of 7.34%.

Consumer inflation

Annual rate, June 2023



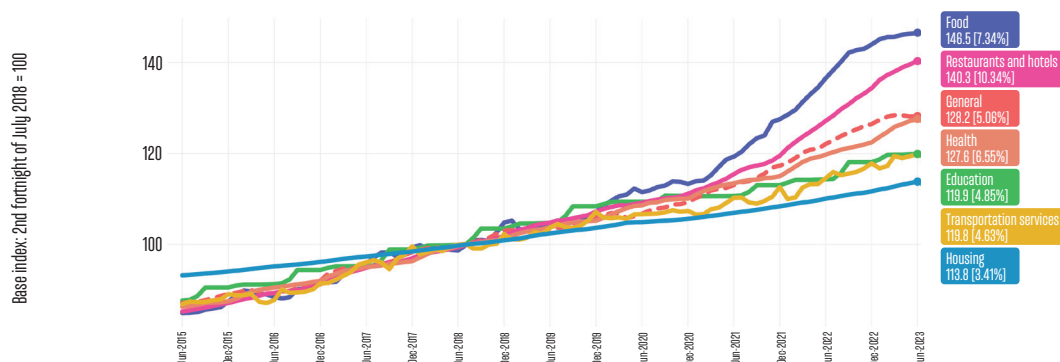
MADE BY MÉXICO, ¿CÓMO VAMOS? WITH DATA FROM INEGI

Based on the latest data by INEGI, México ¿Cómo Vamos? estimated its national traffic light for inflation. According to the report, during the sixth month of 2023:

- Annual inflation rate: 5.06%.
- 12-month rate remains above Banxico's target range of 3% +/- 1%. Therefore, **our national traffic light for inflation is red.**
- The annual **core** inflation was 6.89%, lower than the previous month (7.39%).
- Both general and core inflation have been above the upper limit of 4% set by Banxico since March 2021.
- **Non-core** inflation was -0.36%, also lower than the previous month (1.24%). Within this index, energy prices showed the lowest annual variation, with a decrease of (-)6.95%.
- Food prices increased by 7.34% annually in June, a smaller variation compared to the previous month (8.79%). However, this situation is still concerning as 4 out of 10 Mexicans are in a situation of **labor poverty**.

Consumer Price Index by Classification of Individual Consumption by Purpose Selected

June 2023; [annual variation rate]



*The disaggregations of the Consumer Price Index (CPI) only have informational value.

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→ The following figure shows the generic products that had the highest **monthly contribution** on June 2023 inflation.

Items with the highest and lowest contribution to June's inflation

%-pts contribution; % m/m



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