

Monex Economic Forecasts 2025

April 11th, 2025

- This report presents our main macroeconomic forecasts for 2025: GDP, exchange rate, inflation and reference rate.
- For 2025, we forecast GDP growth of 0.45% YoY, inflation of 3.70% YoY, an exchange rate (USD/MXN) of \$21.00 at the end of the year, and a reference rate of 7.25%.
- Global risk aversion intensified following Trump's announcement of reciprocal tariffs and China's retaliation. At the local level, inflation remained within Banxico's range of variability, although the economic outlook continues to deteriorate.

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Monex Economic Forecasts

This report brings together our main macroeconomic forecasts for 2025 in relation to **GDP, exchange rate, inflation** and **reference rate**, both in closing figures and in averages for the period. In addition, we offer our vision on the economic environment, the most relevant news and the key factors to monitor in the coming months.

IGAE and economic indicators warn of possible economic contraction

Now, the global indicator of economic activity (IGAE) reflects signs of stagnation (0.0% y/y) and accumulates 2 months of contraction (-0.2% m/m), which accentuates a downward trend of the indicator, mainly in secondary activities (industrial and manufacturing sector). Likewise, there is still a low dynamism in private consumption and investment, coupled with trade uncertainty and sluggishness in exports, which as a whole limits growth expectations. **In this context, by the end of 2025 we estimate a GDP expansion of 0.45% YoY.**

USD/MXN remains in a jittery environment in the face of trade escalation

In March, the USD/MXN maintained a bearish trend during the first fortnight (low of \$19.84), although it was subsequently pressured upwards due to greater nervousness around trade tensions with the US, closing the month at \$20.47. Among the main factors that influenced the exchange rate are: 1) in the **external sphere**, the dollar fell 3.17%, affected by speculation about higher tariff impositions. Additionally, the **FED** kept the range of the federal funds rate unchanged, but reiterated its cautious view while waiting for greater visibility on the tariff issue; and, 2) domestically, **Banxico** cut its reference rate by 50 bps, in the face of lower inflationary pressures and the weakness of economic activity. Now, there is greater nervousness in the markets in the face of growing trade tensions, which increases the expectation of lower economic growth in the US, an aspect that could permeate Mexico. By the end of 2025, we estimate an exchange rate of **\$21.00 pesos per dollar**.

Inflation has been below 4.0% for 3 months

Headline **inflation** increased in March to 3.80% YoY from 3.77% previously, but remained in Banxico's range of variability (3.0% +/- 1 pp) for the third consecutive month, something that had not happened for more than four years. The increase was mainly explained by non-core inflation, which increased to 4.16% YoY from 4.08%, due to greater pressures in the agricultural sector. For its part, core inflation showed a decline to 3.64% YoY from 3.65% previously, remaining at levels close to its pre-pandemic average, with the merchandise category still below 3.0% YoY and services exhibiting less rigidity (lowest level since January 2022). Given the behavior of both components and the moderation of supply shocks, by the **end of 2025**, we estimate headline **inflation of 3.70% YoY** and a **reference rate of 7.25%**.

Key Takeaways: Tariff Negotiations with the U.S.

Locally and internationally, attention will continue to focus on tariff negotiations between the U.S. and its major trading partners. After Trump's announcement of reciprocal tariffs – and the subsequent 90-day pause with a reduced tariff of 10% during that period, except in the case of China – it is expected that the affected countries will seek agreements with Washington to reverse these measures. However, the outlook with China is more complex, as the US increased its tariffs on Chinese goods to 145%, while China has responded with tariffs of 125% on US imports. If this narrative continues, the deterioration in the global economic outlook could worsen, increasing volatility in the markets.

Mexico Economic Forecasts - Monex 2025 (expected figures at the end of the year)

Annual Expectations	GDP	Inflation	Reference rate	USD/MXN
2025	0.45%	3.70%	7.25%	\$21.00

Gross Domestic Product					Gross Domestic Product				Gross Domestic Product			
	Quarterly Change				Annual Variation				Cumulative Annual Change			
	2023	2024	2025	2026	2023	2024	2025	2026	2023	2024	2025	2026
1T	0.72%	-0.03%	-0.17%	0.40%	3.82%	1.46%	0.54%	1.35%	3.82%	1.46%	1.10%	1.35%
Q2	0.83%	0.29%	0.28%	0.38%	3.43%	2.24%	0.12%	1.48%	3.63%	1.85%	0.33%	1.42%
Q3	0.54%	1.00%	0.50%	0.45%	3.54%	1.67%	0.23%	1.60%	3.60%	1.79%	0.30%	1.48%
Q4	0.37%	-0.60%	0.34%	0.40%	2.44%	0.60%	0.89%	1.72%	3.31%	1.49%	0.45%	1.54%
Average	0.61%	0.16%	0.24%	0.41%	3.31%	1.49%	0.45%	1.54%	3.59%	1.65%	0.54%	1.44%

USDMXN					EURUSD				EURMXN			
	Monthly average					Monthly average				Monthly average		
	2023	2024	2025	2026	2023	2024	2025	2026	2023	2024	2025	2026
Jan	18.97	17.08	20.55	20.95	1.08	1.09	1.04	1.10	20.44	18.41	21.28	23.12
Feb	18.57	17.09	20.46	20.83	1.07	1.08	1.04	1.11	19.88	18.29	21.31	23.04
Sea	18.38	16.78	20.25	20.86	1.07	1.09	1.08	1.10	19.68	17.98	21.90	23.00
Apr	18.07	16.80	20.51	20.70	1.10	1.07	1.11	1.10	19.82	18.42	22.77	22.87
May	17.72	16.80	20.45	20.86	1.09	1.08	1.11	1.11	19.25	18.25	22.61	23.08
Jun	17.23	18.25	20.43	21.05	1.08	1.08	1.11	1.11	18.69	19.79	22.66	23.36
Jul	16.91	18.12	20.45	20.86	1.11	1.08	1.11	1.11	18.70	20.03	22.66	23.12
Aug	16.99	19.18	20.44	21.06	1.09	1.10	1.12	1.12	18.53	20.92	22.80	23.49
Sep	17.32	19.63	20.63	21.25	1.07	1.11	1.12	1.12	18.48	20.94	23.10	23.80
Oct	18.08	19.71	20.72	21.34	1.06	1.09	1.12	1.12	19.10	20.82	23.12	23.82
Nov	17.38	20.34	20.88	21.50	1.08	1.06	1.11	1.11	18.81	22.01	23.15	23.86
Dec	17.18	20.28	20.97	21.60	1.09	1.05	1.12	1.12	18.76	22.14	23.50	24.21
Average	17.73	18.34	20.56	21.07	1.08	1.08	1.10	1.11	19.18	19.83	22.57	23.40

USDMXN					EURUSD				EURMXN			
	End of period					End of period				End of period		
	2023	2024	2025	2026	2023	2024	2025	2026	2023	2024	2025	2026
Jan	18.84	17.13	20.69	21.03	1.09	1.08	1.04	1.10	20.46	18.54	21.44	23.23
Feb	18.33	17.05	20.58	20.85	1.06	1.08	1.04	1.10	19.38	18.43	21.35	22.90
Sea	18.02	16.56	20.46	20.52	1.08	1.08	1.08	1.09	19.53	17.87	22.13	22.45
Apr	17.99	17.13	20.71	20.93	1.10	1.07	1.12	1.10	19.82	18.27	23.20	23.00
May	17.69	16.97	20.42	20.83	1.07	1.08	1.11	1.09	18.91	18.41	22.58	22.65
Jun	17.12	18.29	20.47	21.03	1.09	1.07	1.11	1.09	18.67	19.59	22.73	22.96
Jul	16.74	18.63	20.29	20.74	1.10	1.08	1.11	1.09	18.41	20.17	22.55	22.67
Aug	17.06	19.70	20.45	21.10	1.08	1.10	1.11	1.09	18.49	21.77	22.72	23.05
Sep	17.43	19.69	20.74	21.34	1.06	1.11	1.10	1.09	18.43	21.93	22.90	23.16
Oct	18.03	20.01	20.69	21.34	1.06	1.09	1.10	1.08	19.06	21.78	22.73	23.06
Nov	17.39	20.36	20.88	21.51	1.09	1.06	1.10	1.08	18.93	21.54	22.90	23.20
Dec	17.07	20.88	21.00	21.70	1.10	1.04	1.11	1.09	18.84	21.62	23.23	23.60
Average	17.64	18.53	20.61	21.08	1.08	1.08	1.09	1.09	19.08	20.00	22.54	23.00

Inflation					Inflation				Inflation			
	Monthly					Annual				Accumulated		
	2023	2024	2025	2026	2023	2024	2025	2026	2023	2024	2025	2026
Jan	0.68%	0.89%	0.29%	0.38%	7.91%	4.88%	3.59%	3.80%	0.68%	0.89%	0.29%	0.38%
Feb	0.56%	0.09%	0.28%	0.26%	7.62%	4.40%	3.77%	3.78%	1.24%	0.99%	0.56%	0.64%
Sea	0.27%	0.29%	0.34%	0.33%	6.85%	4.42%	3.80%	3.80%	1.51%	1.28%	0.88%	0.97%
Apr	-0.02%	0.20%	0.05%	0.05%	6.25%	4.65%	3.64%	3.79%	1.49%	1.48%	0.93%	1.02%
May	-0.22%	-0.19%	-0.11%	-0.11%	5.84%	4.69%	3.72%	3.80%	1.27%	1.29%	0.82%	0.91%
Jun	0.10%	0.38%	0.25%	0.24%	5.84%	4.98%	3.59%	3.79%	1.37%	1.68%	1.07%	1.16%
Jul	0.46%	1.05%	0.43%	0.41%	5.06%	5.57%	2.96%	3.77%	1.86%	2.74%	1.50%	1.57%
Aug	0.55%	0.01%	0.30%	0.29%	4.64%	4.99%	3.26%	3.76%	2.42%	2.75%	1.81%	1.87%
Sep	0.44%	0.05%	0.34%	0.33%	4.45%	4.58%	3.56%	3.74%	2.88%	2.80%	2.16%	2.20%
Oct	0.38%	0.55%	0.46%	0.44%	4.26%	4.76%	3.47%	3.73%	3.27%	3.37%	2.62%	2.65%
Nov	0.64%	0.44%	0.57%	0.55%	4.32%	4.55%	3.60%	3.70%	3.93%	3.82%	3.21%	3.21%
Dec	0.71%	0.38%	0.48%	0.45%	4.66%	4.21%	3.70%	3.67%	4.66%	4.21%	3.70%	3.67%
Average	0.38%	0.35%	0.31%	0.30%	5.64%	4.72%	3.56%	3.76%	2.21%	2.28%	1.63%	1.69%

* Predictions are shown in blue.

Cetes 28 days					Reference rate				Real ex-ante rate of each term				
	Monthly average					End of period					End of period		
	2023	2024	2025	2026	2023	2024	2025	2026	2023	2024	2025	2026	
Jan	10.65%	11.29%	9.86%	7.25%	10.50%	11.25%	10.00%	7.25%	5.63%	7.28%	6.17%	3.81%	
Feb	10.99%	11.05%	9.45%	6.89%	11.00%	11.25%	9.50%	7.00%	6.18%	7.47%	5.67%	3.57%	
Sea	11.23%	11.02%	9.10%	6.78%	11.25%	11.00%	9.00%	6.75%	6.49%	7.18%	5.18%	3.34%	
Apr	11.29%	10.97%	9.02%	6.76%	11.25%	11.00%	9.00%	6.75%	6.51%	7.10%	5.18%	3.34%	
May	11.32%	10.99%	8.49%	6.52%	11.25%	11.00%	8.50%	6.50%	6.58%	7.19%	4.68%	3.09%	
Jun	11.15%	10.97%	8.06%	6.15%	11.25%	11.00%	8.25%	6.25%	6.69%	7.20%	4.44%	2.85%	
Jul	11.22%	10.92%	8.22%	6.20%	11.25%	11.00%	8.25%	6.25%	6.84%	7.12%	4.46%	2.86%	
Aug	11.16%	10.76%	7.89%	5.94%	11.25%	10.75%	8.00%	6.00%	6.93%	6.99%	4.22%	2.62%	
Sep	11.08%	10.44%	7.49%	5.84%	11.25%	10.50%	7.75%	6.00%	7.06%	6.78%	3.98%	2.39%	
Oct	11.08%	10.24%	7.50%	5.77%	11.25%	10.50%	7.75%	6.00%	7.18%	6.66%	4.00%	2.41%	
Nov	11.08%	10.05%	7.12%	5.69%	11.25%	10.25%	7.50%	6.00%	7.13%	6.35%	3.78%	2.43%	
Dec	10.89%	9.85%	7.01%	5.86%	11.25%	10.00%	7.25%	6.00%	7.22%	6.16%	3.80%	2.43%	
Average	11.10%	10.79%	8.38%	6.34%	11.17%	10.86%	8.50%	6.43%	6.70%	6.96%	4.63%	2.93%	

	TIIE 28					TIIE 91					TIIE 182		
	Monthly average					Monthly average					Monthly average		
	2023	2024	2025	2026	2023	2024	2025	2026	2023	2024	2025	2026	
Jan	10.78%	11.50%	10.28%	7.52%	10.94%	11.66%	10.38%	7.66%	11.10%	11.83%	10.51%	7.81%	
Feb	11.10%	11.50%	9.88%	7.24%	11.27%	11.65%	9.96%	7.38%	11.41%	11.81%	10.08%	7.52%	
Sea	11.34%	11.44%	9.74%	7.17%	11.51%	11.61%	9.82%	7.31%	11.79%	11.77%	9.93%	7.50%	
Apr	11.53%	11.25%	9.25%	7.01%	11.64%	11.41%	9.43%	7.16%	11.90%	11.57%	9.69%	7.39%	
May	11.54%	11.24%	8.68%	6.74%	11.59%	11.40%	8.87%	6.87%	11.84%	11.56%	9.12%	7.09%	
Jun	11.50%	11.24%	8.30%	6.43%	11.51%	11.39%	8.50%	6.55%	11.65%	11.55%	8.73%	6.73%	
Jul	11.50%	11.25%	8.51%	6.50%	11.50%	11.40%	8.67%	6.61%	11.52%	11.56%	8.91%	6.75%	
Aug	11.50%	11.08%	8.19%	6.26%	11.50%	11.23%	8.35%	6.36%	11.46%	11.38%	8.55%	6.46%	
Sep	11.50%	10.95%	7.86%	6.27%	11.51%	11.14%	8.04%	6.40%	11.49%	11.29%	8.26%	6.51%	
Oct	11.50%	10.74%	8.02%	6.25%	11.51%	10.89%	8.18%	6.36%	11.53%	11.03%	8.38%	6.48%	
Nov	11.51%	10.61%	7.71%	6.28%	11.51%	10.80%	7.90%	6.40%	11.51%	10.94%	8.02%	6.49%	
Dec	11.50%	10.38%	7.47%	6.28%	11.50%	10.64%	7.65%	6.43%	11.45%	10.78%	7.73%	6.49%	
Average	11.39%	11.16%	8.77%	6.70%	11.46%	11.27%	8.81%	6.79%	11.55%	11.42%	8.99%	6.93%	

USD SOFR (vs. Fixed Rate)											
	Forwards										
	Coupon	3M	6M	1A	2A	3A	4A	5A	10A	15A	30A
1A	3.84	3.60	3.44	3.33	3.55	3.76	3.91	4.03	4.41	4.23	2.81
2A	3.60	3.49	3.44	3.44	3.65	3.83	3.97	4.08	4.41	4.28	2.81
3A	3.58	3.53	3.51	3.54	3.73	3.89	4.02	4.12	4.41	4.28	2.80
4A	3.62	3.59	3.58	3.63	3.80	3.95	4.06	4.15	4.42	4.28	2.80
5A	3.68	3.65	3.65	3.70	3.86	3.99	4.10	4.18	4.42	4.28	2.80
8A	3.82	3.81	3.82	3.86	3.99	4.11	4.19	4.26	4.37	4.12	2.80
9A	3.87	3.86	3.87	3.91	4.03	4.14	4.21	4.28	4.36	4.09	2.80
10A	3.90	3.90	3.91	3.95	4.06	4.16	4.23	4.29	4.36	4.07	2.80
15A	4.04	4.03	4.04	4.07	4.14	4.21	4.25	4.29	4.21	3.87	2.61
20A	4.08	4.07	4.07	4.09	4.13	4.17	4.19	4.20	4.05	3.67	2.51
30A	3.98	3.96	3.96	3.96	3.97	3.98	3.98	3.96	3.77	3.39	2.41

* Predictions are shown in blue.

Main economic notes (March 15 to April 15, 2025)

Global Economic

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[ING: Bank of England maintains its interest rate](#)

[PMI: Services on the rise in the US; Eurozone strengthens](#)

[EUR: Inflation falls ahead of reciprocal tariffs](#)

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[U.S.: Industrial production rebounds in February](#)

[US: The FED repeats cautious pause](#)

[US: March Consumer Confidence Plummeting](#)

[US: GDP Upward Revision in Q4-24](#)

[US: PCE inflation stable before tariffs](#)

[USA: Mexico and Canada were the main suppliers of goods to the US](#)

[US: Nonfarm Payrolls beat market estimate](#)

[US: Fed seeks clarity amid tariffs](#)

[US: CPI inflation surprises to the downside in March](#)

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[MEX: IGAE estimate points to slight recovery](#)

[MEX: Global Supply and Demand Close Weakly](#)

[MEX: Inflation falls in March 1Q](#)

[MEX: Economic Activity with Persistent Weakness](#)

[MEXICO: Retail Sales Start the Year on the Rise](#)

[MEX: Manufacturing exports down](#)

[MEXICO: Banxico repeats 50 bps cut](#)

[MEX: Declining Labor Force Participation Rate](#)

[MEX: Business Economic Sentiment](#)

[MEX: Remittances remain moderate](#)

[MEX: Banxico Expectations Survey for March](#)

[MEX: Fixed Investment and Consumption with a Weak Start](#)

[MEX: Consumer Confidence on the Decline](#)

[MEXICO: Inflation rises slightly in March](#)

[MEXICO: Banxico Minutes Show Signs of More Cuts](#)

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