

# Monex Economic Forecasts 2025

May 14th, 2025

- This report presents our main macroeconomic forecasts for 2025: GDP, exchange rate, inflation and reference rate.
- For 2025, we forecast GDP growth of 0.34% YoY, inflation of 3.80% YoY, an exchange rate (USD/MXN) of \$20.50 at the end of the year, and a reference rate of 7.25%.
- Global risk aversion moderated following the U.S.-China tariff deal, in which both sides agreed to cut tariffs. At the local level, inflation remained within Banxico's range of variability, although economic activity continues to show weakness.

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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.

### Timely GDP: secondary and tertiary activities with loss of dynamism

In Q1-25, timely [GDP](#) grew 0.6% YoY. Although the economy continued to show weakness in the face of the lower dynamism of productive activities, at a quarterly rate GDP advanced 0.2% and recovered from the contraction of Q4-24, thus avoiding a technical recession. Primary activities (+8.1% QoQ) gave the greatest boost of the period, in the face of a better climatological environment. However, secondary activities remained in negative territory (-0.3% QoQ) and tertiary activities stagnated (0.0% QoQ). In this context, **by the end of 2025 we estimate a GDP expansion of 0.34% per year.**

### Peso finds a boost in easing trade tensions

During April, the USD/MXN was driven lower thanks to lower risk aversion and better-than-expected results from various economic figures in Mexico and the US. With this, the exchange rate closed the month at \$19.61, which implied an appreciation of the peso by 4.2% compared to the end of March. Among the main factors behind this movement are, on the **external front**: 1) progress in U.S. trade negotiations with other countries; 2) economic data in that country, such as the preliminary GDP report [for Q1-25](#) and the PMIs, which exhibited a deterioration in economic activity; and, 3) a 4.6% monthly decline in the dollar (measured through the DXY index), derived from the above data. Domestically: Mexico's timely Q1-25 GDP showed a higher expansion than market estimates and reduced fears of a recession. **By the end of 2025, we estimate an exchange rate of \$20.50 pesos per dollar**, which considers Mexico's low economic growth and uncertainty around the trade relationship with the US.

### Inflation picks up, but remains in the range

Headline [inflation](#) rose in April to 3.93% YoY from 3.80% previously, but remained within Banxico's range of variability (3% +/- 1 pp) for the fourth consecutive month. The increase was mainly explained by core inflation, which increased to 3.93% YoY from 3.64%, due to continued pressures in the goods category and a rebound in services. For its part, non-core inflation fell to 3.76% YoY from 4.16% previously, standing significantly below its historical average, thanks to the moderation of supply shocks in the agricultural component and the low volatility in the energy component. Given the behavior of both and the current economic slowdown, by the **end of 2025 we estimate headline inflation of 3.80% YoY and a benchmark interest rate of 7.25%.**

### Key aspects to follow:

At the international level, the focus will be on the announcements of U.S. trade agreements with various countries, considering the 90-day pause to their reciprocal tariffs. After the agreement with the United Kingdom and the meeting with China – in which the US reduced tariffs on Chinese products to 30% from 145% and Beijing did the same by reducing them to 10% from 125% – the global economic outlook has improved, although a global economic slowdown is still expected. Additionally, PCE inflation figures in the US will be key to assessing the impact of tariffs and the Fed's actions in the remainder of 2025. At the local level, the economic outlook remains mixed (likely slowdown in GDP in Q2-25), pending greater clarity on the early revision of the USMCA.

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

Annual Expectations	GDP	Inflation	Reference rate	USD/MXN
2025	0.34%	3.80%	7.25%	\$20.50

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%	0.20%	0.40%	3.82%	1.46%	0.60%	1.35%	3.82%	1.46%	0.60%	1.35%
Q2	0.83%	0.29%	0.28%	0.51%	3.43%	2.24%	0.02%	1.48%	3.63%	1.85%	0.31%	1.42%
Q3	0.54%	1.00%	0.50%	0.49%	3.54%	1.67%	0.12%	1.60%	3.60%	1.79%	0.25%	1.48%
Q4	0.37%	-0.60%	0.34%	0.41%	2.44%	0.60%	0.61%	1.72%	3.31%	1.49%	0.34%	1.54%
Average	0.61%	0.16%	0.33%	0.45%	3.31%	1.49%	0.34%	1.54%	3.59%	1.65%	0.37%	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	20.12	1.08	1.09	1.04	1.11	20.44	18.41	21.28	22.43
Feb	18.57	17.09	20.46	20.01	1.07	1.08	1.04	1.12	19.88	18.29	21.31	22.35
Sea	18.38	16.78	20.25	20.04	1.07	1.09	1.08	1.11	19.68	17.98	21.90	22.31
Apr	18.07	16.80	20.04	19.88	1.10	1.07	1.12	1.12	19.82	18.42	22.50	22.18
May	17.72	16.80	19.45	20.03	1.09	1.08	1.12	1.12	19.25	18.25	21.71	22.39
Jun	17.23	18.25	19.41	20.21	1.08	1.08	1.12	1.12	18.69	19.79	21.74	22.66
Jul	16.91	18.12	19.64	20.03	1.11	1.08	1.12	1.12	18.70	20.03	21.97	22.43
Aug	16.99	19.18	19.83	20.22	1.09	1.10	1.13	1.13	18.53	20.92	22.33	22.79
Sep	17.32	19.63	20.01	20.41	1.07	1.11	1.12	1.13	18.48	20.94	22.40	23.09
Oct	18.08	19.71	20.10	20.49	1.06	1.09	1.12	1.13	19.10	20.82	22.42	23.11
Nov	17.38	20.34	20.25	20.65	1.08	1.06	1.11	1.12	18.81	22.01	22.46	23.14
Dec	17.18	20.28	20.34	20.74	1.09	1.05	1.12	1.13	18.76	22.14	22.79	23.49
Average	17.73	18.34	20.03	20.24	1.08	1.08	1.10	1.12	19.18	19.83	22.07	22.70

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	20.23	1.09	1.08	1.04	1.12	20.46	18.54	21.44	22.55
Feb	18.33	17.05	20.58	20.07	1.06	1.08	1.04	1.12	19.38	18.43	21.35	22.48
Sea	18.02	16.56	20.46	19.70	1.08	1.08	1.08	1.12	19.53	17.87	22.13	21.97
Apr	17.99	17.13	19.61	20.08	1.10	1.07	1.13	1.12	19.82	18.27	22.22	22.50
May	17.69	16.97	19.42	20.00	1.07	1.08	1.11	1.11	18.91	18.41	21.47	22.18
Jun	17.12	18.29	19.45	20.19	1.09	1.07	1.11	1.11	18.67	19.59	21.59	22.47
Jul	16.74	18.63	19.48	19.91	1.10	1.08	1.11	1.11	18.41	20.17	21.65	22.19
Aug	17.06	19.70	19.84	20.26	1.08	1.10	1.11	1.11	18.49	21.77	22.04	22.57
Sep	17.43	19.69	20.12	20.50	1.06	1.11	1.10	1.11	18.43	21.93	22.21	22.68
Oct	18.03	20.01	20.07	20.50	1.06	1.09	1.10	1.12	19.06	21.78	22.05	23.00
Nov	17.39	20.36	20.25	20.66	1.09	1.06	1.10	1.12	18.93	21.54	22.21	23.15
Dec	17.07	20.88	20.50	20.80	1.10	1.04	1.11	1.13	18.84	21.62	22.67	23.50
Average	17.64	18.53	20.04	20.24	1.08	1.08	1.09	1.12	19.08	20.00	21.93	22.60

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%	0.41%	7.91%	4.88%	3.59%	3.93%	0.68%	0.89%	0.29%	0.41%
Feb	0.56%	0.09%	0.28%	0.29%	7.62%	4.40%	3.77%	3.94%	1.24%	0.99%	0.56%	0.70%
Sea	0.27%	0.29%	0.31%	0.30%	6.85%	4.42%	3.80%	3.93%	1.51%	1.28%	0.88%	1.00%
Apr	-0.02%	0.20%	0.33%	0.31%	6.25%	4.65%	3.93%	3.91%	1.49%	1.48%	1.21%	1.32%
May	-0.22%	-0.19%	-0.11%	-0.10%	5.84%	4.69%	4.01%	3.92%	1.27%	1.29%	1.10%	1.22%
Jun	0.10%	0.38%	0.24%	0.23%	5.84%	4.98%	3.87%	3.91%	1.37%	1.68%	1.34%	1.45%
Jul	0.46%	1.05%	0.40%	0.38%	5.06%	5.57%	3.20%	3.89%	1.86%	2.74%	1.75%	1.84%
Aug	0.55%	0.01%	0.29%	0.28%	4.64%	4.99%	3.49%	3.88%	2.42%	2.75%	2.04%	2.12%
Sep	0.44%	0.05%	0.32%	0.31%	4.45%	4.58%	3.77%	3.87%	2.88%	2.80%	2.37%	2.44%
Oct	0.38%	0.55%	0.44%	0.42%	4.26%	4.76%	3.66%	3.85%	3.27%	3.37%	2.82%	2.87%
Nov	0.64%	0.44%	0.53%	0.51%	4.32%	4.55%	3.76%	3.83%	3.93%	3.82%	3.36%	3.39%
Dec	0.71%	0.38%	0.42%	0.40%	4.66%	4.21%	3.80%	3.80%	4.66%	4.21%	3.80%	3.80%
Average	0.38%	0.35%	0.31%	0.31%	5.64%	4.72%	3.72%	3.89%	2.21%	2.28%	1.79%	1.88%

\* 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%	8.81%	6.69%	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%	8.36%	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%	9.28%	7.02%	11.64%	11.41%	9.35%	7.13%	11.90%	11.57%	9.45%	7.31%
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%	8.97%	6.93%

USD SOFR (vs. Fixed Rate)											
	Coupon	Forwards									
		3M	6M	1A	2A	3A	4A	5A	10A	15A	30A
1A	4.07	3.85	3.68	3.52	3.61	3.72	3.86	4.02	4.45	4.40	2.92
2A	3.80	3.69	3.62	3.56	3.66	3.79	3.94	4.08	4.49	4.40	2.92
3A	3.74	3.68	3.63	3.61	3.73	3.87	4.00	4.12	4.51	4.40	2.92
4A	3.73	3.70	3.67	3.67	3.80	3.93	4.06	4.16	4.51	4.40	2.92
5A	3.76	3.73	3.72	3.74	3.86	3.98	4.10	4.20	4.52	4.40	2.92
8A	3.88	3.87	3.87	3.90	4.00	4.12	4.21	4.30	4.48	4.24	2.92
9A	3.92	3.91	3.92	3.94	4.05	4.15	4.25	4.32	4.47	4.21	2.92
10A	3.96	3.95	3.96	3.99	4.09	4.18	4.27	4.34	4.47	4.19	2.92
15A	4.11	4.10	4.10	4.12	4.19	4.26	4.31	4.36	4.32	4.00	2.74
20A	4.16	4.15	4.15	4.16	4.20	4.23	4.26	4.28	4.17	3.79	2.65
30A	4.07	4.06	4.05	4.05	4.06	4.06	4.06	4.05	3.89	3.52	2.56

\* Predictions are shown in blue.

## Main economic notes (April 15 to May 15, 2025)

### Global Economic

[CH: China's economy surprises consensus](#)

[IMF: Downward Economic Growth Outlook](#)

[PMI: Pullbacks in the face of tariffs](#)

[Eurozone: Growth in the bloc's major economies](#)

[EUR: Inflation surprises to the upside in April](#)

[ING: Bank of England resumes cuts](#)

[Monex International Trade Report](#)

[OPEC loses optimism on oil demand](#)

### Economic USA

[US: Retail Sales Rebound in March](#)

[US: Industrial production falls in March](#)

[US: Beige Book reports rising inflation due to tariffs](#)

[USA: Deteriorating American Confidence](#)

[US: GDP shrinks for first time in 3 years](#)

[US: PCE inflation moderates in March](#)

[US: Nonfarm Payrolls Resilient Despite Tariffs](#)

[US: Mexico's imports to the US increased 9.6% year-on-year in Q1-25](#)

[US: The FED extends pauses to its cycle of cuts](#)

[US: April CPI inflation avoids Trump tariffs](#)

### Economic Mexico

[MEX: IOAE forecasts declines for February and March](#)

[MEX: Retail Sales in Moderation](#)

[MEX: Inflation accelerates in April 1](#)

[MEXICO: Economic Activity Surprises with Advances...](#)

[MEX: Automotive exports with the greatest momentum](#)

[MEXICO: Unemployment Rate Hits All-Time Low](#)

[MEX: Preliminary GDP figures 1Q-25](#)

[MEX: Business Economic Sentiment](#)

[MEX: Remittances with mixed performance](#)

[MÉX: Banxico Expectations Survey for April](#)

[MEX: Fixed Investment and Consumption with Slight Momentum](#)

[MEX: Inflation rebounds, but remains in the range](#)

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### Highlights

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