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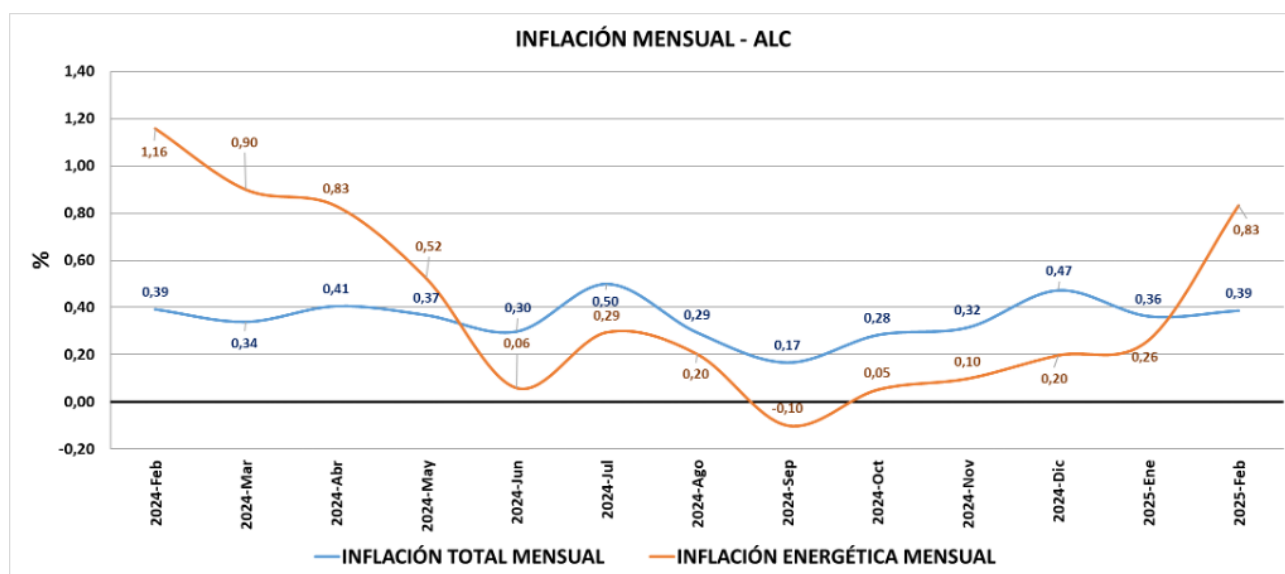


ENERGY INFLATION IN LATIN AMERICA AND THE CARIBBEAN (IE-LAC)

Energy Prices Continue to Rise in Latin America and the Caribbean

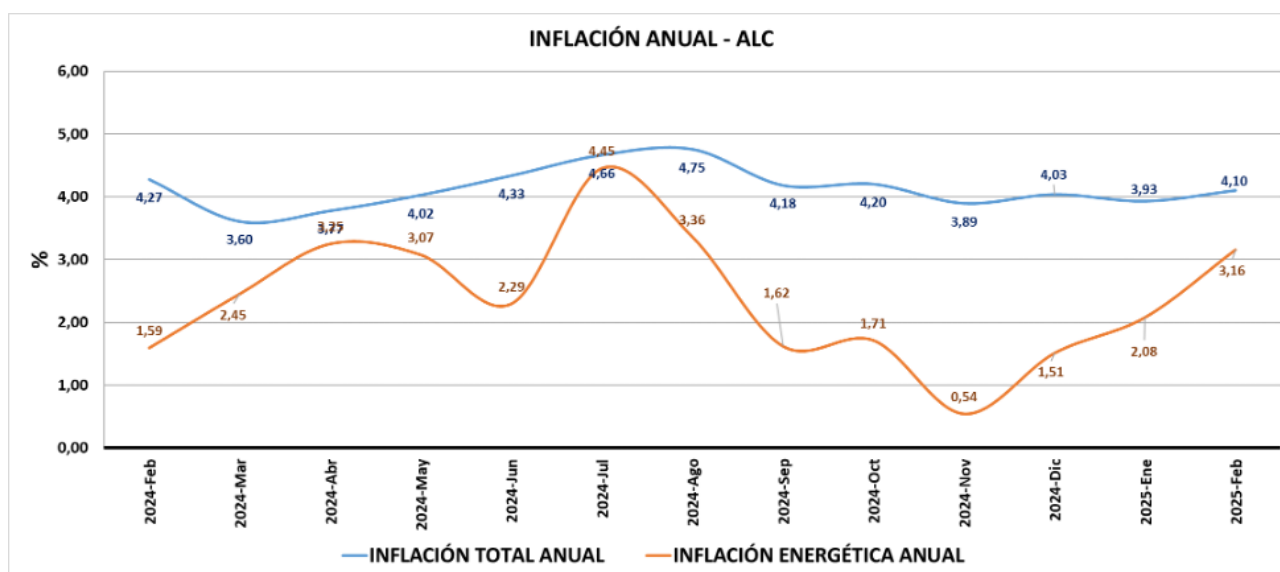
The Latin American Energy Organization (OLADE) has published its Energy Inflation Indicator for Latin America and the Caribbean (IE-LAC) for the month of February 2025. This report offers a detailed analysis of energy trends in the region, which is crucial to understand the behavior of energy markets and their impact on the economy and sustainability of Latin American and Caribbean countries.

Monthly energy inflation increased 3.3 times, from 0.26% in January 2025 to 0.86% in February of the same year. Despite the 5.3% drop in oil prices compared to January, this decrease has not resulted in lower fuel prices in the region. It should be noted that the price of oil explains approximately 60% of the variation in this index. That is, this month, it is the electricity rates for the industrial and residential sectors that primarily explain the rise in the index, as a result of the reduction of subsidies in several countries in Latin America and the Caribbean.



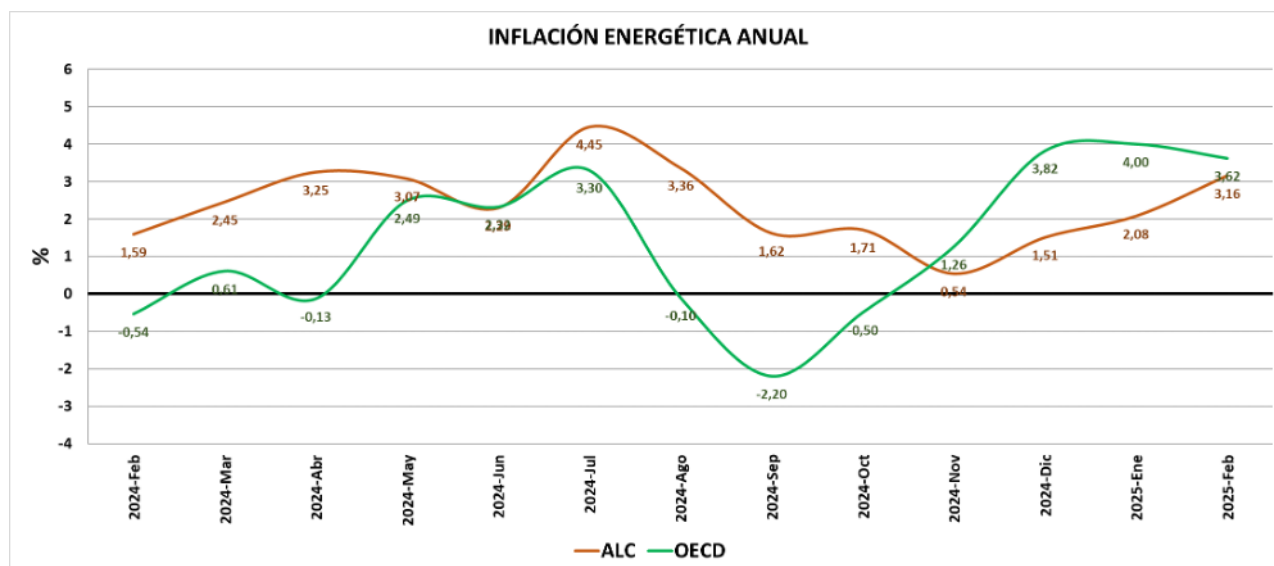
Source: OLADE, own elaboration based on the information published in the Institutes of Statistics and Censuses and Central Banks (INEC) of the OLADE Member Countries.

In February 2025, **annual energy inflation** in Latin America and the Caribbean reached 3.16% compared to February 2024. Although it is one of the highest figures in the last four months, it remained below total inflation, which was 4.10%.



Source: OLADE, own elaboration based on the information published in the Institutes of Statistics and Censuses and Central Banks (INEC) of the OLADE Member Countries.

In February 2025, **year-on-year energy inflation in OECD countries** fell to 3.62%, after having registered 4.0% in January. On the other hand, Latin America and the Caribbean have shown an increase in energy inflation over the last four months, reaching 3.16% in February 2025, although still below the average of OECD countries.



Source: OLADE, own elaboration based on the information published in the Institutes of Statistics and Censuses and Central Banks of the OLADE Member Countries and information published by OECD.