


Report
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**ENERGY INFLATION REPORT FOR
LATIN AMERICA AND THE CARIBBEAN
(EI-LAC)**

MAY 2026

Latin America and the Caribbean (LAC) recorded monthly energy inflation of 0.19% in February 2026, prior to the outbreak of the conflict in the Middle East.

OLACDE presents the Energy Inflation of LAC for February 2026.

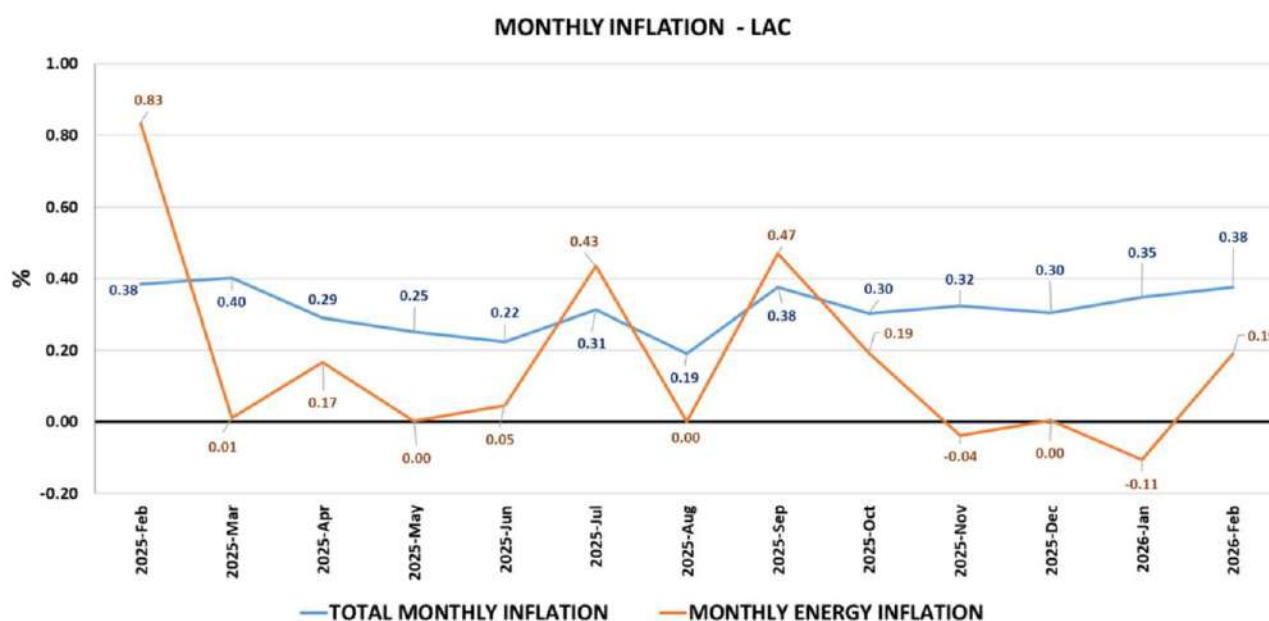
Energy prices began to rise amid growing international tensions in anticipation of the outbreak of the Persian Gulf conflict in February 2026.

1. Monthly energy inflation¹ (MEI)

The region’s Energy Inflation Indicator (EII) increased from -0.11% in January to 0.19% in February 2026. This rise was driven by increases in the energy basket price index in 13 of the 20 countries analyzed, reflecting adjustments to electricity tariffs and fuel prices. These increases were associated with both domestic economic policy measures and higher international oil prices, which were fueled by mounting geopolitical tensions ahead of the outbreak of the conflict in the Middle East on February 28, 2026. Negative EMI, in some countries, is mainly due to the application of subsidies to electricity and fuel prices to final consumers.

For the same reasons, **total monthly inflation** increased from 0.35% in January to 0.38% in February of this year, showing that the increase in the energy price index also has an inflationary effect on the rest of the goods and services. See Figure 1.

Figure 1. Monthly Inflation Trends in LAC



Source: Own elaboration based on the information of the Institutes of Statistics and Central Banks of OLACDE Member Countries.

¹Monthly Energy Inflation (MEI) measures the change in the Consumer Price Index (CPI) of the energy basket relative to the previous month.

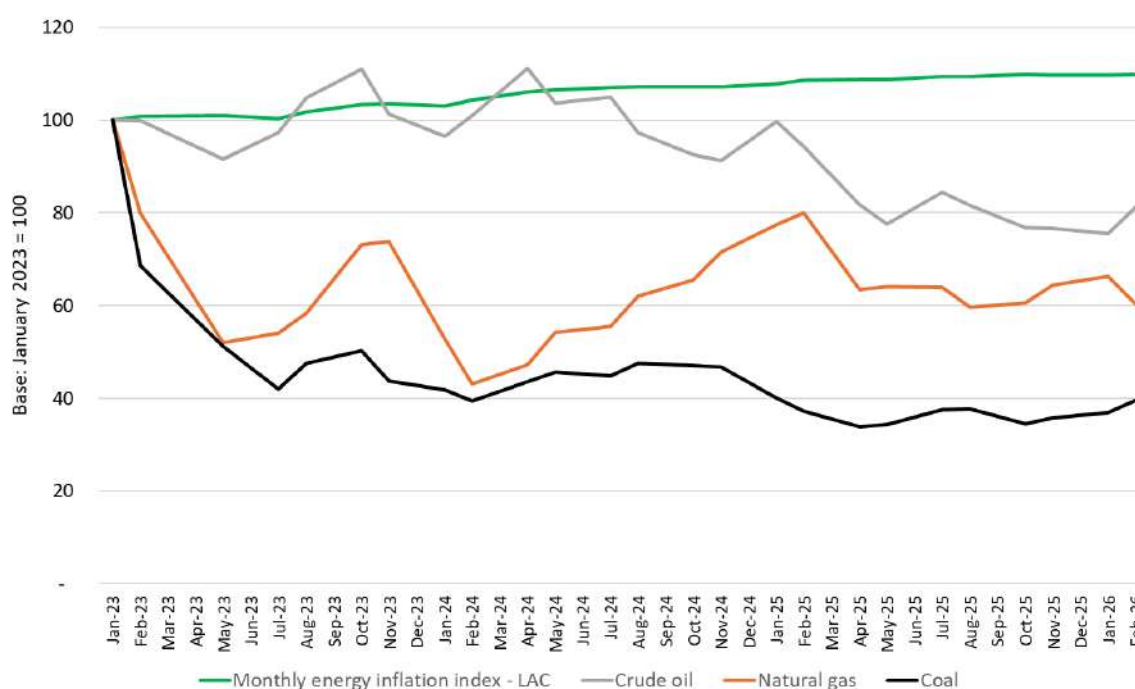
2. Energy prices

Figure 2, based on the month of January 2023, shows the historical evolution of the International Fuel Price Index (IPIC) and the Index of Variation of Monthly Energy Inflation in Latin America and the Caribbean (IEM).

During the period analyzed, the LAC Monthly Energy Inflation Index (MEII) exhibited an almost continuous upward trend, unlike the Consumer Price Indices (CPIs), which experienced alternating periods of increases and decreases. However, relative to the base month of the period (January 2023), all CPIs recorded a net decline by February 2026.

As for the variation between January and February of this year, only the IPIC of natural gas shows a decrease, thanks to a milder than usual winter climate in the month analyzed, the rapid restoration of supply after winter storms and storage levels above the historical average in countries of the northern hemisphere, while all other indicators considered increase, with greater magnitude the IPIC corresponding to crude oil, which as already mentioned is due to the nervousness of international markets before the imminent start of the war in the Middle East for the period of analysis.

Figure 2: Contrast between Monthly Energy Inflation in LAC and International Fuel Price Index (IPIC)



Source: OLACDE, FMI (<https://www.imf.org/en/Research/commodity-prices>)

Concept	Unit	Feb-24	Feb-25	Feb-26
Total monthly inflation	%	0.39	0.39	0.38
Monthly energy inflation	%	1.16	0.83	0.19
Monthly variation of the WTI price	%	4.18	-5.56	8.76

Source: OLACDE, OPEC



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