

Monthly Economic Newsletter



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KEY DATA

Inflation rate. May CPI rose 1.5% (m-o-m), the lowest monthly record since June 2020.

HIGHLIGHTS

Argentina.

The exchange rate regime launched on April 2025 stabilized the forex market and lowered the inflation rate. The decrease in May CPI inflation was accompanied by an auspicious decrease in wholesale price indices. Some new policy announcements in June were focused on the foreign reserve accumulation and on the improvement of monetary control. However, downward stickiness of Argentina's sovereign risk premium remains unchanged.

Global markets. Global uncertainty is on the upside. Beyond Donald Trump's trade war, the war between Israel and Iran turned up as a new global perturbation. In this context, the Fed kept the Fed Funds Rate unchanged, foreseeing two rebates of 25 p.b. each before the year-end.

LOOKING AHEAD

Argentina. Mid-term legislative elections in the provinces of Formosa and Santa Fe on June 29.

Israel vs. Iran. Mutual bombings between both countries continue with no interruptions. US President Trump started to assess a possible involvement in the conflict, that would include the use of new weapons, capable to fully destroy Iran's nuclear stockpiles.

Russia vs. Ukraine. Ceasefire bilateral negotiations are deadlocked. After the successful Ukrainian hits on four Russian military bases, Russia counterattacked with daily missile launches on Ukraine's civilian targets.