

# Macro scenario - Global



June 1, 2026

## Uncertainty in the Middle East persists

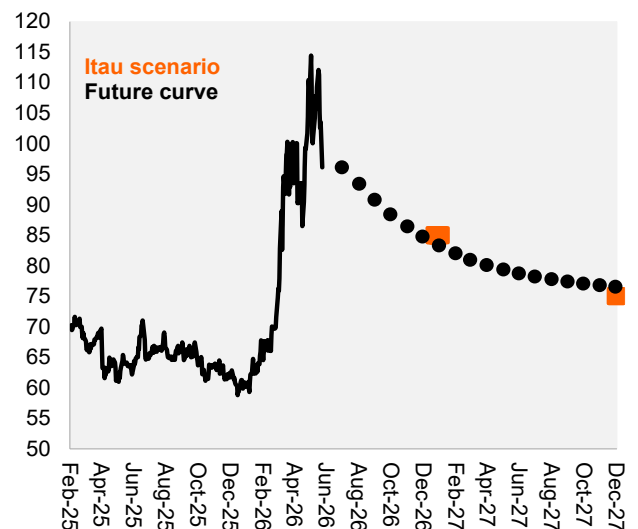
- ▶ **Geopolitics:** lower willingness for escalation in the conflict, but a diplomatic resolution remains uncertain.
- ▶ **US:** with a resilient labor market and pressured inflation, the Fed is expected to keep rates stable for the remainder of the year. We revised our 2026 GDP growth forecast from 2.6% to 2.4% due to a weaker first quarter, but we expect resilience ahead.
- ▶ **Europe:** the central bank is expected to raise interest rates in June and July to 2.50% (vs. 2.0% previously) in response to the extension of the conflict.
- ▶ **China:** no need for stimulus for now, amid resilient exports.
- ▶ **Latin America:** rising inflation risks, cautious monetary policy, uneven growth.

## Awaiting conflict resolution

We maintain our oil scenario assuming the resolution of the conflict before the end of the first half of the year, with the commodity price at US\$85/bbl by year-end and declining to US\$75/bbl by end-2027. We see lower willingness for an escalation of the conflict, but, so far, a diplomatic resolution remains uncertain.

Even with the ceasefire in place since early April, the Strait of Hormuz still shows no significant recovery in shipping traffic in the region. Right now, there is another attempt at a diplomatic resolution involving other countries in the Middle East. The main points of disagreement remain uranium enrichment and Iran's nuclear issue, as well as the governance and control of the strait in the post-conflict period.

We project oil at US\$85/bbl and US\$75/bbl by end-2026 and end-2027, respectively



Source: BBG, Itaú

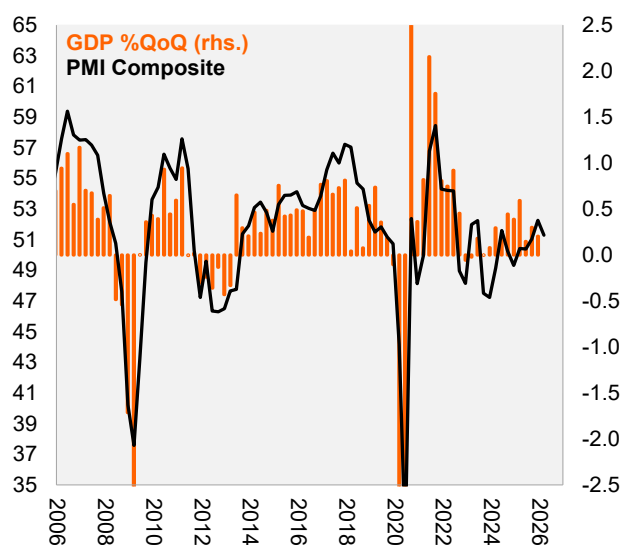
**In the United States, activity slowed but remained solid supported by improvements in the labor market.** Despite elevated inflation weighing on real income (and likely on consumption), we still expect resilient GDP growth in 2Q26 of 2.7% (quarter-over-quarter annualized), and 3.0% for domestic demand. We revised our 2026 GDP forecast from 2.6% to 2.4% due to downside surprises in the 1Q26 result, but growth should remain strong in the remaining quarters of the year (2.7%). Spending associated with infrastructure in the artificial intelligence sector has

been one of the main drivers of the US economy and should continue to support investment. In addition, households have been using accumulated savings and wealth gains to sustain consumption, which has been growing above income since 2024 (and a healthy labor market gives confidence to spend such savings). Hiring momentum appears to have bottomed out and is picking up again, while the unemployment rate continues its downward trend.

**Inflation shows no signs of improvement, making rate cuts unlikely this year by the Fed, which now has Kevin Warsh as Chair.** Inflation, which was already proving more persistent before the conflict, has moved even further away from target. CPI rose to 3.8% in April (from 3.3% in March) year-over-year, core CPI to 2.8% (from 2.6%), and we estimate that core PCE increased to 3.3% (from 3.2%). As a result, we expect the Fed to remain on hold until mid-next year, and Kevin Warsh is not expected to significantly alter the reaction function in the short term.

**In Europe, we now expect the central bank to raise rates in June and July to 2.50% (vs. 2.0% previously), in response to the prolonged conflict.** Activity in the region is already showing signs of slowdown amid higher energy prices, with the composite PMI pointing to marginally negative growth in the second quarter and a cooling labor market. However, central bank members have signaled that, even in the event of a swift resolution of the conflict, the impact of higher energy prices will persist, requiring a preventive response to preserve monetary policy credibility – that is, as a mechanism to keep inflation expectations anchored amid the energy shock. Therefore, we now expect two rate hikes in June and July. That said, there is a chance the central bank could deliver only one hike if energy prices correct quickly and there are further signs of activity slowdown between the June and July meetings.

### Europe: activity shows signs of weakness amid the energy shock



Source: Haver, Itaú

**In China, we maintain our growth projections at 4.7% for 2026 and 4.5% for 2027.** Activity data for April came in weaker on the domestic demand side, with some early signs of the impact of the energy shock, particularly a decline in refined oil production. On the other hand, exports remain the main pillar of Chinese growth, now supported by the artificial intelligence cycle, which keeps the urgency for domestic demand stimulus low. However, this could change if global growth slows down amid the oil shock.

### Latin America: Rising Inflation Risks, Cautious Policy, Uneven Growth

#### Inflation: Fuel pass-through, food tail risks

Inflation risks are skewed to the upside across the set of countries, led by energy costs and weather-related supply shocks (notably El Niño). **Colombia** is the clearest case of persistent underlying pressure: monthly inflation remains firm, core is still elevated, and climate dynamics raise the probability of a renewed food-and-energy impulse into 2H26, consistent with CPI forecasts staying high at **7.0% in 2026 and 5.7% in 2027**, alongside high food inflation. **Chile** is experiencing a headline inflation rebound dominated by fuel pass-through; core remains better behaved and expectations appear largely anchored at the policy-relevant horizon, but near-term prints are the key test for second-round effects. In this context, we revised our CPI forecast in Chile up to 4.5%, from 4.3%. **Mexico** looks comparatively better on underlying dynamics: core disinflation is advancing,

but services remain sticky, and El Niño adds tail risk through food prices; we maintained our forecast at 4.1% for YE26 and 3.8% for YE27, respectively. **Peru** has moved into a re-acceleration phase (transport/energy-led), with expectations drifting higher and weather risks adding volatility; after successive significant inflation surprises, we revised our YE26 inflation forecast up to 4.4%, from 2.8%. In **Argentina**, the disinflation process is back on track, helped by a stronger currency and restrained fuel prices, though the “last mile” remains challenging and shocks (including weather) could still complicate the path; we maintained our year-end inflation call at 30%.

#### Monetary policy: Caution-first central banking

Central banks are increasingly forced into a “caution-first” stance as inflation risks rise. **Colombia’s** central bank is framed as pausing temporarily but retaining a tightening bias, with the baseline calling for hikes to resume at the June policy meeting, with the policy rate ending **2026 at 12.5%**, followed by gradual easing toward **11% by end-2027**, as inflation converges only slowly. The Central Bank of Chile manages a delicate trade-off: policy is held at restrictive/near-neutral real levels with an explicit meeting-by-meeting approach, and risks to the rate path remain tilted upward if expectations de-anchor. After delivering a final 25-bp cut to 6.5%, with guidance explicitly signaling the end of the cycle, the Central Bank of **Mexico** shifted to a data-dependent stance. While a more benign inflation, stable FX, and activity backdrop could eventually allow for a new easing cycle, this would likely require further progress on disinflation, which would enhance the board’s confidence about the outlook. Facing persistent inflation surprises and a jump in inflation

expectations, amid stronger activity, we adjusted our policy rate call in **Peru** from a hold at 4.25% to a 50-bp hiking cycle later this year. In **Argentina**, the central bank emphasizes operational and communication improvements and reserve accumulation, with a framework aimed at supporting disinflation while keeping financial conditions from tightening abruptly.

#### Growth: Uneven momentum, asymmetric risks

**Colombia** surprised to the upside in 1Q26 on domestic demand (public/private consumption) and investment, but the medium-term narrative remains constrained by fiscal consolidation needs and sectoral drags (construction/mining), keeping the baseline around **2.1% for 2026** and **2.3% for 2027**. In **Mexico**, activity is stabilizing after a soft start to the year; consumption is cushioned by real income dynamics, but investment lags, and the outlook remains hostage to external catalysts (notably USMCA clarity) and fiscal/rating constraints. **Chile’s growth outlook** is soft in the near term (export drag and weak momentum), yet the medium-term story improves materially via an investment pipeline concentrated in mining/energy/infrastructure, implying weaker 2026 but stronger 2027 as projects materialize. We revised 2026 GDP down to 1.5% but up to 3.1% in 2027. **Peru** is the strongest cyclical story, with robust domestic demand, strong private investment, and a very strong external position, though domestic policy uncertainty and coastal El Niño risk add volatility. In Argentina, we keep a relatively constructive 2026 growth view based on investment, agriculture, and easing financial conditions, but consumption remains the weak link, and low carryover makes the balance of risks more fragile.

## Global | Forecasts and Data

	2023	2024	2025	2026F		2027F	
				Current	Previous	Current	Previous
<b>GDP Growth</b>							
World GDP growth - %	3.2	3.2	3.3	<b>3.2</b>	3.3	<b>3.4</b>	3.4
USA - %	2.9	2.2	2.2	<b>2.4</b>	2.6	<b>2.2</b>	2.2
Euro Area - %	0.5	0.9	1.5	<b>0.9</b>	0.9	<b>1.2</b>	1.2
China - %	5.4	5.0	5.0	<b>4.7</b>	4.7	<b>4.5</b>	4.5
<b>Inflation</b>							
U.S. Core CPI - %, eop	3.9	3.2	2.6	<b>3.0</b>	3.2	<b>3.0</b>	3.3
<b>Interest rates and currencies</b>							
Fed Funds - %, eop	5.38	4.52	3.63	<b>3.63</b>	3.63	<b>3.13</b>	3.13
U.S. 10 Year Treasury - %, eop	3.88	4.58	4.18	<b>4.25</b>	4.25	<b>4.00</b>	4.00
USD/EUR - eop	1.10	1.04	1.17	<b>1.18</b>	1.18	<b>1.18</b>	1.18
CNY/USD - eop	7.13	7.30	6.99	<b>6.90</b>	6.90	<b>6.90</b>	6.90
DXY Index* - eop	101.3	108.5	98.3	<b>98.2</b>	98.2	<b>97.8</b>	97.8

Source: IMF, Bloomberg and Itaú

\* The DXY is a leading benchmark for the international value of the U.S. dollar, measuring its performance against a basket of currencies that includes the euro, yen, pound, Canadian dollar, Swiss franc and Swedish krona.

## Compared scenario

## World

	2025	2026		2027	
		Current	Previous	Current	Previous
GDP (%)	3.3	<b>3.2</b>	3.3	<b>3.4</b>	3.4

## Brazil

	2025	2026		2027	
		Current	Previous	Current	Previous
GDP (%)	2.3	<b>2.1</b>	1.9	<b>1.7</b>	1.7
BRL / USD (eop)	5.47	<b>5.15</b>	5.15	<b>5.35</b>	5.35
Monetary Policy Rate (eop,%)	15.00	<b>13.75</b>	13.25	<b>12.50</b>	12.25
IPCA (%)	4.3	<b>5.4</b>	5.2	<b>4.5</b>	4.3

## Argentina

	2025	2026		2027	
		Current	Previous	Current	Previous
GDP (%)	4.4	<b>3.5</b>	3.5	<b>3.0</b>	3.0
ARS / USD (eop)	1459	<b>1600</b>	1700	<b>2100</b>	2100
Reference rate (eop,%)	27.00	<b>26.00</b>	26.00	<b>25.00</b>	25.00
CPI (%)	31.5	<b>30.0</b>	30.0	<b>25.0</b>	25.0

## Colombia

	2025	2026		2027	
		Current	Previous	Current	Previous
GDP (%)	2.6	<b>2.1</b>	2.1	<b>2.3</b>	2.3
COP / USD (eop)	3757	<b>3600</b>	3600	<b>3600</b>	3600
Monetary Policy Rate (eop,%)	9.25	<b>12.50</b>	12.50	<b>11.00</b>	11.00
CPI (%)	5.1	<b>7.0</b>	7.0	<b>5.7</b>	5.7

Source: Itaú

## Latin America and Caribbean

	2025	2026		2027	
		Current	Previous	Current	Previous
GDP (%)	2.6	<b>2.5</b>	2.5	<b>2.5</b>	2.5

## Mexico

	2025	2026		2027	
		Current	Previous	Current	Previous
GDP (%)	0.5	<b>1.1</b>	1.1	<b>1.8</b>	1.8
MXN / USD (eop)	18.0	<b>18.4</b>	18.4	<b>18.9</b>	18.9
Monetary Policy Rate (eop,%)	7.00	<b>6.50</b>	6.50	<b>6.50</b>	6.50
CPI (%)	3.7	<b>4.1</b>	4.1	<b>3.8</b>	3.8

## Chile

	2025	2026		2027	
		Current	Previous	Current	Previous
GDP (%)	2.5	<b>1.5</b>	2.1	<b>3.1</b>	2.8
CLP / USD (eop)	901	<b>860</b>	880	<b>850</b>	860
Monetary Policy Rate (eop,%)	4.50	<b>4.50</b>	4.50	<b>4.50</b>	4.50
CPI (%)	3.5	<b>4.5</b>	4.3	<b>3.0</b>	3.0

## Peru

	2025	2026		2027	
		Current	Previous	Current	Previous
GDP (%)	3.4	<b>3.3</b>	3.1	<b>3.0</b>	3.0
PEN / USD (eop)	3.36	<b>3.40</b>	3.40	<b>3.40</b>	3.40
Monetary Policy Rate (eop,%)	4.25	<b>4.75</b>	4.25	<b>4.75</b>	4.25
CPI (%)	1.5	<b>4.4</b>	2.8	<b>2.6</b>	2.2

## Commodities

	2020	2021	2022	2023	2024	2025	2026F		2027F	
							Current	Previous	Current	Previous
Brent Oil (USD/bbl)	50	75	82	77	73	61	85	85	75	75
Iron Ore (USD/tonne)	153	116	110	135	103	104	95	95	75	75
Copper (USD/tonne)	7788	9525	8402	8489	9030	11763	12600	11050	12100	11050
Corn (Usd/bu)	437	592	656	480	444	444	500	450	500	420
Soy (Usd/bu)	1207	1290	1474	1311	984	1077	1150	1100	1250	1000
Wheat (Usd/bu)	604	790	749	619	548	532	700	600	700	610
Sugar (Usd/lb)	15	19	20	22	20	15	15	15	16	16
Coffee (Usd/lb)	123	235	166	188	321	360	250	300	250	250

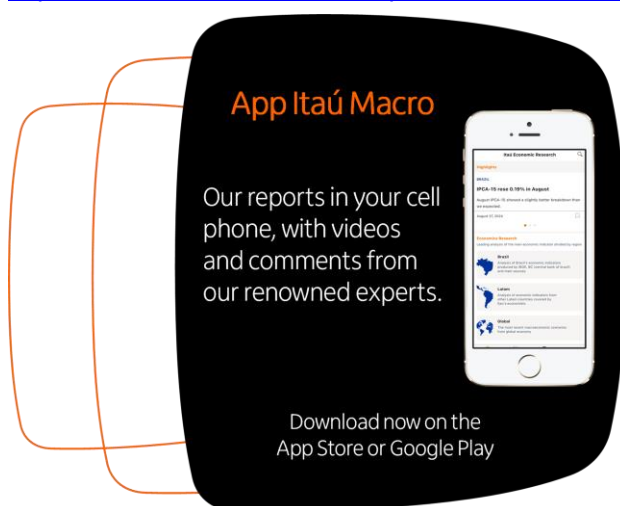
Source: BBG, Itaú

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