

# Monthly Economic Newsletter



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## KEY DATA

**Inflation.** Argentina's CPI rose 4.0 m-o-m in July. It was the lowest monthly inflation rate since January 2022.

## HIGHLIGHTS

### **Argentina: structural reforms in progress, despite political turmoil**

Domestic inflation remains on the downside, but the ongoing recession and the lack of international reserves turns it unlikely to foresee a sudden lift of current capital and currency controls. In the meantime, the Gov't faces new hurdles in the National Congress to deepening pro-market reforms.

### **USA: the Fed would lower the Fed Funds rate next month**

The Fed's head, Jerome Powell, suggested in last Jackson Hole conference that the expected lowering of the Fed's Funds rate would start next September. The expectation of a more expansionary monetary policy helped to the market rebound after the end of carry-trade opportunities after the sudden appreciation of the Japanese yen.

## LOOKING AHEAD

### **Argentina.**

President Milei announced that the 2025 Budget Bill will be presented at the National Congress before September 15.

### **USA**

The Democrat candidate Kamala Harris is ahead in most of the latest polls towards the November 5 presidential election.

### **Uruguay**

Uruguay's general election will be held next October 27. Most of opinion polls show the left-wing Frente Amplio edging ahead in most of electoral polls. However, most observers do not expect a clear-cut winner. In such case, a second round will be held on November 19.

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