

Favorable situation

El Salvador departs, in terms of inflation, from the rest of the countries of the Central American region, scoring 7.4% in July, which implied a reduction of 0.4% compared to the June report that reflected a rate of 7.8%, according to data from the Bank Central Reservation (BCR).



The decrease occurs in a context in which half of the countries in the region exceed two digits in their inflation rates, with Costa Rica and Nicaragua being the most affected, both with 11.5%, followed by Honduras with 10.9% and Guatemala with 8.4%, while El Salvador is the nation with the lowest percentage, with 7.4%, according to data from the central banks of the region for July 2022.

In this regard, the president of the BCR, Douglas Rodríguez, considered that the favorable situation for the country comes from the anti-inflationary measures launched by President Nayib Bukele last March. «This is a sample with data that the measures have worked. Inflation in El Salvador is the lowest in the entire Central American region. The country reported a rate of 7.4% in July, in June it was 7.8%, that is, it has dropped by 0.4%,» said the official.

The country is also the third least affected on a Latin American scale, surpassed only by Panama, which has a rate of 3.5%, and Ecuador, with 3.9%, for the seventh month of this year. «The measures that the government is applying to help Salvadoran families and also companies have been verified so that the inflation that is a crisis that is hitting the whole world does not affect us in a lesser way,» Rodríguez considered.

As part of the strategy, the Bukele administration since March has implemented a temporary fixing of fuel and electricity prices, in addition to the elimination of import tariffs on more than 20 food and agricultural products, and consequent inspections in the marketing chain to ensure that these actions reach the price charged to final consumers. On Tuesday, August 30, the Legislative Assembly, at the initiative of the Executive, approved an extension to extend the setting of fuel prices until October 26.