

Hyperinflationary economies

(Updated April 2026)



What you need to know

- We believe that IAS 29 needs to be applied by entities whose functional currency is the currency of any one of the following countries: Argentina, Haiti, Islamic Republic of Iran, Lebanon, Malawi, South Sudan, Sudan, Türkiye, Venezuela and Zimbabwe.
- Burundi and Sierra Leone ceased to be hyper-inflationary by 31 March 2026.
- We believe the following countries are not currently hyperinflationary, but ought to be monitored: Angola, Egypt, Myanmar and Nigeria.

Overview

Accounting standards are applied on the assumption that the value of money (the unit of measurement) is constant over time. However, when the rate of inflation is no longer negligible, a number of issues arise impacting the true and fair nature of the accounts of entities that prepare their financial statements on a historical cost basis, for example:

- Historical cost figures are less meaningful than they are in a low inflation environment
- Holding gains on non-monetary assets that are reported as operating profits do not represent real economic gains
- Current and prior period financial information is not comparable
- 'Real' capital can be reduced because profits reported do not take account of the higher replacement costs of resources used in the period

To address such concerns, entities are required to apply IAS 29 *Financial Reporting in Hyperinflationary Economies* from the beginning of the period in which the existence of hyperinflation is identified. IAS 29 does not establish an absolute inflation rate at which an economy is considered hyperinflationary. Instead, it considers a variety of non-exhaustive characteristics of the economic environment of a country that are seen as strong indicators of the existence of hyperinflation. This publication explicitly mentions inflation statistics as they indicate the severity of the situation in a country; but our assessment also considers additional factors and the other indicators listed in paragraph 3 of IAS 29.

In July 2025, the International Financial Reporting Standards Interpretation Committee (IFRS IC) published an agenda decision on 'Assessing Indicators of Hyperinflationary Economies'. The evidence gathered by the IFRS IC indicated that stakeholders do not conclude that an economy becomes hyperinflationary based



solely on one of the indicators listed in paragraph 3 of IAS 29. Indeed, they consider additional indicators that are not listed in IAS 29 when relevant, and might assign different weights to those, or other, indicators. In addition, stakeholders do not reach different conclusions for different levels within a group when preparing financial statements using the same basis of preparation.

This publication sets out a summary of the inflation data of countries that we consider to be hyperinflationary for the purposes of IFRS accounting standards as at 30 June 2026, as well as economies that are not currently hyperinflationary for those purposes, but which ought to be monitored.

The inflation data is based on the International Monetary Fund (IMF) World Economic Outlook (WEO) April 2026 (www.imf.org).

Hyperinflationary economies

Argentina - The IMF WEO reported a 3-year cumulative rate of inflation of 792% as of December 2025 and a forecast annual rate of inflation of 25% for 2026 (13% for 2027). The Argentine National Institute of Statistics and Census (www.indec.gob.ar) reported 3-year and 12-month cumulative rates of inflation of 702% and 33%, respectively, as of March 2026. We believe that Argentina remains hyperinflationary.

Haiti - The IMF WEO reported a 3-year cumulative rate of inflation of 122% as of September 2025 and forecast a 3-year cumulative rate of inflation of 106% for September 2026 (84% for September 2027). The central bank of Haiti (www.brh.ht) reported 3-year and 12-month cumulative rates of inflation for February 2026 of 93% and 22%, respectively. We believe that Haiti remains hyperinflationary.

Islamic Republic of Iran - The IMF WEO reported a 3-year cumulative rate of inflation of 216% as of March 2026 and a forecast 3-year cumulative rate of inflation of 256% for March 2027. We believe that Iran remains hyperinflationary.

Lebanon - The IMF WEO reported a 3-year cumulative rate of inflation of 287% as of December 2025. The IMF WEO noted in April 2026 that, "Fiscal and national accounts data for 2022-25, as well as debt data for 2023-25, are IMF staff estimates. Estimates and projections for 2026-31 are omitted owing to an unusually high degree of uncertainty." The Lebanese Central Administration of Statistics (www.cas.gov.lb) reported 3-year and 12-month cumulative rates of inflation of 128% and 17%, respectively, as of March 2026. We believe that Lebanon remains hyperinflationary.

Malawi - The IMF WEO reported a 3-year cumulative rate of inflation of 117% as of December 2025 and forecast 3-year cumulative rates of inflation of 100% and 92% for 2026 and 2027, respectively. The National Statistics Office (www.nsomalawi.mw) reported 3-year and 12-month cumulative rates of inflation of 113% and 24%, respectively, as of March 2026. We believe that Malawi remains hyperinflationary.

South Sudan - South Sudan has been considered hyperinflationary since 2011 and continues to be hyperinflationary. The IMF WEO reported a 3-year cumulative rate of inflation of 530% as of December 2025 and a forecast 3-year cumulative rate of inflation of 332% for 2026.

Sudan - Sudan has been considered hyperinflationary since 2013 and continues to be hyperinflationary. The IMF WEO reported a 3-year cumulative rate of inflation of 801% as of December 2025 and a forecast annual rate of inflation of 593% for 2026.

Türkiye - The IMF WEO reported a 3-year cumulative rate of inflation of 211% as of December 2025. For 2026, the IMF WEO forecasts an annual rate of inflation of 25% and a 3-year cumulative rate of inflation of 135%. The Turkish Statistical Institute (www.tuik.gov.tr) reported 3-year and 12-month cumulative rates of inflation of 205% and 31%, respectively, as of March 2026. We believe that Türkiye remains hyperinflationary.

Venezuela - Venezuela remains hyperinflationary with the IMF WEO reporting a 3-year cumulative inflation rate of 2,367% as of December 2025 and a forecast 3-year inflation rate of 2,620% for 2026. However, the IMF WEO noted that, "The effects of hyperinflation, the paucity of reported data, and uncertainty mean that the IMF staff's estimated and projected macroeconomic indicators should be interpreted with caution."

Zimbabwe - Zimbabwe was considered hyperinflationary until April 2024, when its previous currency - the Zimbabwean Dollar (ZWL) - became defunct. Since then, a new currency of Zimbabwe Gold has been introduced. The IMF WEO reported a 3-year cumulative rate of inflation of 7,854% as of December 2025, a forecast 3-year cumulative rate of inflation of 887% as of December 2026, and a forecast annual rate of inflation of 9% for 2026. We believe that Zimbabwe Gold remains a hyperinflationary currency.

Economies no longer considered to be hyperinflationary

Burundi - The IMF WEO reported a 3-year cumulative rate of inflation of 89% as of December 2025. For 2026, the IMF WEO forecasts an annual rate of inflation of 19% (2027: 13%) and a 3-year cumulative rate of inflation of 87% (2027: 55%). The Institut National de la Statistique du Burundi (www.insbu.bi) reported 3-year and 12-month cumulative rates of inflation of 78% and 11%, respectively, as of March 2026. We believe that Burundi is no longer hyperinflationary as of 31 March 2026.

Sierra Leone - The IMF WEO reported a 3-year cumulative rate of inflation of 81% as of December 2025 and a forecast 3-year cumulative rate of inflation of 29% for 2026. Statistics Sierra Leone (www.statistics.sl) reported 3-year and 12-month cumulative rates of inflation of 75% and 8%, respectively, as of February 2026. We believe Sierra Leone is no longer hyperinflationary as of 31 March 2026.

Non-hyperinflationary economies subject to monitoring

Angola - The IMF WEO reported a 3-year cumulative rate of inflation of 77% as of December 2025 and a forecast 3-year cumulative rate of inflation of 67% for 2026. Angola is not currently considered to be hyperinflationary, but entities ought to continue monitoring the situation.

Egypt - The IMF WEO reported a 3-year cumulative rate of inflation of 99% as of June 2025 and forecast 3-year cumulative rates of inflation of 68% and 45% for June 2026 and June 2027, respectively. The Central Agency for Public Mobilization and Statistics (www.capmas.gov.eg) reported 3-year and 12-month cumulative rates of inflation of 74% and 15%, respectively, as of March 2026. Egypt is not currently considered to be hyperinflationary, but entities ought to continue monitoring the situation.

Myanmar - The IMF WEO reported a 3-year cumulative rate of inflation of 94% as of March 2026 and forecast 3-year cumulative rates of inflation of 82% and 64% for March 2027 and March 2028, respectively. The most recent data from the Central Bank of Myanmar (www.cbm.gov.mm) only covers the period up to September 2025, for which it reported an annual rate of inflation of 15% and a 3-year rate of inflation of 81%. The local statistical data is published with significant delays and the qualitative hyperinflation indicators are not clear. Based on the available information, Myanmar is not considered currently to be hyperinflationary, but entities ought to continue monitoring the situation and be prepared to start applying IAS 29 if the assessment were to change based on new information.

Nigeria - The IMF WEO reported a 3-year cumulative rate of inflation of 100% as of December 2025 and forecast annual rates of inflation of 17% and 14% as of December 2026 and December 2027, respectively. The National Bureau of Statistics (www.nigerianstat.gov.ng) reported 3-year and 12-month cumulative rates of inflation of 96% and 15%, respectively, as of March 2026. Nigeria is not currently considered to be hyperinflationary, but entities ought to continue monitoring the situation.

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