



Venezuela Economic Outlook

By Arca Análisis Económico

Here is our monthly summary of recent economic developments in Venezuela:

- The Central Bank of Venezuela (BCV) reported that gross domestic product (GDP) grew 9.32 percent in the first quarter of 2025, exceeding the 9.13 percent recorded in the same period of 2024. This data reaffirms the economic recovery the country has experienced over the last 16 quarters, closing 2024 with an annual growth of 8.54 percent.
- Particularly notable in this growth is the oil sector, which expanded 18.23 percent, along with the mining sector, with an increase of 13.46 percent. According to the BCV, these results demonstrate the resilience of the Venezuelan economy in the face of "external aggression" and the "trade war" that, according to the government, threatens a global recession.
- Despite these advances, the BCV press release did not offer details on the monthly GDP performance or the behavior of the non-oil economy during the period analyzed. However, official data suggests an average monthly GDP growth of around 3 percent in the first quarter.
- In contrast to GDP growth, the bolívar depreciated 52.2 percent against the U.S. dollar in the official market during the first half of 2025. The exchange rate of the U.S. dollar fell from 52 bolívars to 108.9 bolívars per dollar, according to BCV figures.
- For its part, Petróleos de Venezuela S.A. (PDVSA) reported hydrocarbon export revenues of \$17.5 billion in 2024. This period was marked by the validity of U.S. licenses that allowed foreign companies to operate in the country, according to an earnings report by *Reuters*.
- In 2024, Venezuela's oil company exported an average of 805,500 barrels of oil per day (bpd), a significant increase from the 700,000 bpd sold in 2023. Venezuela's average production also grew, reaching 952,000 bpd last year, up from 783,000 bpd in 2023, according to direct sources in the Organization of the Petroleum Exporting Countries report.
- Despite the subsequent cancellation of oil licenses, the national government has maintained that oil production exceeds 1 million barrels per day and that exports are proceeding normally. In 2024, crude oil sales destinations included Asia, the U.S. and Europe. However, following the suspension of licenses by the U.S., June exports – reaching 844,000 barrels per day – were primarily redirected to China.
- PDVSA contributed \$10.4 billion to the national treasury in 2024, a figure similar to the national budget. Additionally, revenue from domestic sales of gasoline and other fuels totaled \$2.2 billion, according to a document detailed by *Reuters*.

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Informal Labor on the Rise

- A report by the Institute of Higher Studies in Administration (IESA) reveals that more than 50 percent of Venezuela's working population is in the informal labor market. While these activities generate income, they are characterized by low added value and, therefore, do not contribute significantly to the country's development.
- The IESA study, which incorporates data from the Andrés Bello Catholic University's National Survey of Living Conditions (Encovi), highlights that self-employment and informal commerce outnumber formal businesses and shops. Rosa Emilia González, professor at IESA's Center for Public Policy and Executive Education, explained that the report shows a rise in informal employment since 2014, driven by the contraction of key economic sectors such as manufacturing and finance.

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