

Financial Markets Daily

Main drivers for the financial markets today...

- The rest of the agenda in the US includes the second estimate of 3Q24 GDP, where no relevant changes are expected, the trade balance (goods), durable goods orders and income and spending figures for October, as well as the initial jobless claims that will be released today instead of Thursday because Thanksgiving Day
- In other regions, the European Parliament votes to confirm the next European Commission, which will take office on December 1st
- In Mexico, INEGI released October's trade balance, posting a US\$370.8 million surplus. Exports grew 3.6% m/m (11.2% y/y) –highlighting the oil component–, with imports also higher at 2.6% m/m (9.7% y/y)
- Later, Banxico will publish its Quarterly Report

The most relevant economic data...

	Event/Period	Unit	Banorte	Survey	Previous
Mexico					
7:00	Trade balance - Oct	US\$m	-748.4	-1,502.2	-578.9
13:30	Banxico's Quarterly Report				
United States					
8:30	Gross domestic product** - 3Q24	% q/q	2.8	2.8	2.8
8:30	Personal consumption** - 3Q24	% q/q	--	3.7	3.7
8:30	Trade balance* - Oct	US\$bn	--	-102.1	-108.7
8:30	Durable goods orders* - Oct (P)	% m/m	--	0.5	-0.7
8:30	Ex transportation* - Oct (P)	% m/m	--	0.1	0.5
8:30	Initial jobless claims* - Nov 23	thousands	217	216	213
10:00	Personal income* - Oct	% m/m	--	0.3	0.3
10:00	Personal spending* - Oct	% m/m	--	0.4	0.5
10:00	Real personal spending* - Oct	% m/m	--	0.2	0.4
10:00	PCE Deflator* - Oct	% m/m	0.2	0.2	0.2
10:00	Core* - Oct	% m/m	0.3	0.3	0.3
10:00	PCE Deflator - Oct	% y/y	2.3	2.3	2.1
10:00	Core - Oct	% y/y	2.8	2.8	2.7
South Korea					
	Monetary policy decision (C. bank of South Kor	%	--	3.25	3.25

Source: Bloomberg and Banorte. (P) preliminary data; (R) revised data; (F) final data; * Seasonally adjusted, ** Seasonally adjusted annualized rate.

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A glimpse to the main financial assets

	Last	Daily chg.
Equity indices		
S&P 500 Futures	6,030.75	-0.1%
Euro Stoxx 50	4,727.72	-0.7%
Nikkei 225	38,134.97	-0.8%
Shanghai Composite	3,309.78	1.5%
Currencies		
USD/MXN	20.73	0.4%
EUR/USD	1.05	0.4%
DX	106.42	-0.6%
Commodities		
WTI	69.08	0.5%
Brent	73.13	0.4%
Gold	2,654.35	0.8%
Copper	415.15	0.8%
Sovereign bonds		
10-year Treasury	4.26	-5pb

Source: Bloomberg

Equities

- Stock markets with a negative bias as investors continue to react to the prospect of higher tariffs from the US
- In Europe, markets retreat and the Eurostoxx falls 0.8%. All sectors are in negative territory, highlighting the largest adjustments in financial and energy stocks. In Asia, equity markets closed mixed, with the Hang Seng rising 2.3%. Meanwhile, in the US, futures point to a negative opening with the S&P 500 trading 0.2% below its theoretical value, after reaching another high in the previous session
- In corporate news, Dell falls 11.5% pre-market after reporting lower-than-expected sales. Similarly, HP shares are down (-8.5%) after cutting its earnings guidance for the next quarter

Sovereign fixed income, currencies and commodities

- Gains in sovereign bonds, with Europe rallying 3bps on average, and the US Treasury curve modestly steepening amid stronger performance in the short-end. The curve strengthens 2-5bps, with the 10-year note at 4.26%, near three-week lows. Today marks the conclusion of the US auction cycle with the 7-year issuance
- The dollar weakens, led by JPY (+1.1%) gains within the G10, while EUR (+0.4%) also recovers, supported by hawkish comments from an ECB official. In EM, a slight breather is observed, though MXN weakens 0.4% to 20.73
- Oil posts modest gains following two negative sessions, with Middle East tensions providing positive notes after the ceasefire between Israel and Hezbollah. The market is also digesting the potential delay in OPEC+ production increases. Gold rises 0.8%

Corporate Debt

- Today the offering of Banco Latinoamericano de Comercio Exterior (BLADEX), BLADEX 24-5, will take place for a target amount of MXN 2.0 billion (max. MXN 4.0 billion), with a 3.3 year term, which will pay a floating rate linked to TIIE-28. The assigned ratings were 'AAA(mex)' by Fitch Ratings and 'AAA' by S&P Ratings
- FibraShop reported that on November 20 a syndicated loan was signed for an amount of up to MXN 1.93 billion, to settle an outstanding balance of a current loan. The new loan significantly improves the financial cost, in recognition of the recent improvement in the rating and outlook granted by HR Ratings and Fitch Ratings and was considered a green loan

Previous closing levels

	Last	Daily chg.
Equity indices		
Dow Jones	44,860.31	0.3%
S&P 500	6,021.63	0.6%
Nasdaq	19,175.58	0.6%
IPC	49,721.85	-1.0%
Ibovespa	129,922.38	0.7%
Euro Stoxx 50	4,761.99	-0.8%
FTSE 100	8,258.61	-0.4%
CAC 40	7,194.51	-0.9%
DAX	19,295.98	-0.6%
Nikkei 225	38,442.00	-0.9%
Hang Seng	19,159.20	0.0%
Shanghai Composite	3,259.76	-0.1%
Sovereign bonds		
2-year Treasuries	4.26	-1pb
10-year Treasuries	4.31	3pb
28-day Cetes	9.95	-14pb
28-day TIIE	10.49	0pb
2-year Mbono	9.92	0pb
10-year Mbono	10.06	4pb
Currencies		
USD/MXN	20.65	1.7%
EUR/USD	1.05	-0.1%
GBP/USD	1.26	0.0%
DX	107.01	0.2%
Commodities		
WTI	68.77	-0.2%
Brent	72.81	-0.3%
Mexican mix	64.34	-0.8%
Gold	2,633.15	0.3%
Copper	411.85	-1.0%

Source: Bloomberg

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