

Financial Markets Daily

Main drivers for the financial markets today...

- Stock markets mixed and biased positive, bond yields and USD up. Focus today on Powell's intervention and the November private jobs report from the ADP, elements that along Friday's non-farm payrolls could solidify the expectation of a rate cut from the Federal Reserve on December 18th
- Fed's Musalem, Barkin, and Daly will also speak, and the Beige Book will be released
- On additional economic figures the US will publish factory orders, services ISM and November final PMIs
- France will hold a no-confidence vote against the current government in the next hours. If the opposition votes in favor of the motion, the executive led by Michel Barnier will fall. It would be the first time this has happened since 1962
- ECB's Christine Lagarde will appear before the committees of the European Parliament committees
- In Mexico, no relevant economic data will be published
- The OECD released an update to its economic outlook, forecasting resilient global GDP growth in 2025 despite a series of headwinds

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The most relevant economic data...

	Event/Period	Unit	Banorte	Survey	Previous
	The OECD will publish its latest Economic Outlook				
Brazil					
7:00	Industrial production - Oct	% y/y	--	6.3	3.4
7:00	Industrial production* - Oct	% m/m	--	0.2	1.1
United States					
8:15	ADP employment* - Nov	thousands	190	158	233
8:45	Fed's Musalem Speaks in Moderated Conversation				
9:45	Services PMI* - Nov (F)	index	57.0	57.0	57.0
9:45	Composite PMI* - Nov (F)	index	55.3	--	55.3
10:00	ISM services* - Nov	index	--	55.6	56.0
10:00	Factory orders* - Oct	% m/m	--	0.4	-0.5
10:00	Ex transportation* - Oct	% m/m	--	--	0.1
10:00	Durable goods orders* - Oct (F)	% m/m	--	--	0.2
10:00	Ex transportation* - Oct (F)	% m/m	--	--	0.1
13:45	Fed's Powell speaks in a moderated discussion at the New York Times				
14:00	Beige Book				

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

A glimpse to the main financial assets

	Last	Daily chg.
Equity indices		
S&P 500 Futures	6,080.50	0.3%
Euro Stoxx 50	4,910.65	0.7%
Nikkei 225	39,276.39	0.1%
Shanghai Composite	3,364.65	-0.4%
Currencies		
USD/MXN	20.33	0.1%
EUR/USD	1.05	-0.2%
DXY	106.52	0.1%
Commodities		
WTI	70.03	0.1%
Brent	73.79	0.2%
Gold	2,637.71	-0.2%
Copper	418.45	-0.4%
Sovereign bonds		
10-year Treasury	4.27	4pb

Source: Bloomberg

Equities

- Positive bias in the main stock indexes. Particularly, in the US, futures anticipate a positive opening. In the previous session, both the Nasdaq and S&P 500 reached fresh all-time highs, with the S&P 500 standing out by marking its 55th record high of the year
- Europe trades mainly with gains and the Eurostoxx advance 0.7%. Shares of companies in the technology and financial sectors support the rise. In Asia, stock markets closed mostly lower, highlighting the declines in South Korea's indices. This was caused by the uncertainty generated after the decree and subsequent revocation of martial law. The KOSPI closed 1.4% lower
- In corporate news, Salesforce shares are up 12.8% pre-market after reporting better-than-expected numbers and raising the low end of its revenue guidance for the next quarter

Sovereign fixed income, currencies and commodities

- Upward pressure on sovereign bond yields, with European securities adjusting 2-3bps and the Treasury curve extending yesterday's steepening. In Treasuries, the short-end mostly unchanged, while the long-end is losing up to 4bps
- The USD is advancing in index terms amid weaker performance from G10 currencies. AUD (-1.2%) leads the losses, while in EM, the balance is more positive, with KRW (+0.9%) heading the group and reversing yesterday's losses. The MXN is trading flat at 20.33 per dollar
- Oil is steady after posting its strongest gain in two weeks yesterday (+2.5%), as OPEC+ progresses toward an agreement to delay the group's production increases. Metals are mixed, with gold showing little movement against a 0.4% decline in copper

Corporate Debt

- HR Ratings affirmed Molibdenos y Metales' rating at 'HR AAA' with Stable outlook. The rating considers its free cash flow generation of that has benefited from the conditions that Molymet maintains with its suppliers, as well as a growing trend in EBITDA generation
- HR Ratings affirmed Coca-Cola FEMSA's ratings at 'HR AAA' with Stable outlook, due to its low level of net leverage given its minimal debt service and sustained projections of free cash flow

Previous closing levels

	Last	Daily chg.
Equity indices		
Dow Jones	44,705.53	-0.2%
S&P 500	6,049.88	0.0%
Nasdaq	19,480.91	0.4%
IPC	50,828.06	0.8%
Ibovespa	126,139.20	0.7%
Euro Stoxx 50	4,878.51	0.7%
FTSE 100	8,359.41	0.6%
CAC 40	7,255.42	0.3%
DAX	20,016.75	0.4%
Nikkei 225	39,248.86	1.9%
Hang Seng	19,746.32	1.0%
Shanghai Composite	3,378.81	0.4%
Sovereign bonds		
2-year Treasuries	4.18	0pb
10-year Treasuries	4.22	3pb
28-day Cetes	9.90	-10pb
28-day TIIE	10.47	0pb
2-year Mbono	9.69	-6pb
10-year Mbono	9.98	-1pb
Currencies		
USD/MXN	20.32	-0.4%
EUR/USD	1.05	0.1%
GBP/USD	1.27	0.1%
DX	106.37	-0.1%
Commodities		
WTI	69.94	2.7%
Brent	73.62	2.5%
Mexican mix	65.16	2.5%
Gold	2,643.49	0.2%
Copper	420.20	1.7%

Source: Bloomberg

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