

## Financial Markets Daily

### Main drivers for the financial markets today...

- **Stock markets negative, government bond yields mixed, and the USD down, with all eyes on President Donald Trump's speech to a joint session of Congress amid concerns that Europe could be the next region to face US tariffs**
- **China has announced that, as a countermeasure to US tariffs, it will impose another round of tariffs between 10% and 15% on a range of products from said country. This includes agricultural products and banning exports to some defense companies**
- **Canada's retaliation plans include tariffs to an equivalent of US\$107 billion in goods –which will come into effect progressively. Regarding Mexico, we will be focused on President Claudia Sheinbaum's speech this morning to see what measures will be implemented by her government**
- **On the economic agenda, China will publish February's Caixin services PMI, which according to consensus will post a slight decrease, although still above the 50pts threshold. On the monetary policy front, we will be paying attention to a speech from Williams (New York)**
- **In the US, Congress Republicans will increase scrutiny of the Fed, with a new task force on the matter starting its first working meeting today**
- **On the war in Ukraine, Trump ordered a pause on all military aid to that country until he determines there is a goodwill commitment to peace, this according to a defense official. In contrast, the EU proposed a €150 billion loan to boost Ukrainian defense spending**

### The most relevant economic data...

	Event/Period	Unit	Banorte	Survey	Previous
<b>Eurozone</b>					
<b>5:00</b>	Unemployment rate* - Jan	%	--	6.3	6.3
<b>Mexico</b>					
<b>10:00</b>	International reserves - Feb 28	US\$bn	--	--	233.9
<b>12:30</b>	Government weekly auction: 1-, 3-, 6-, and 12-month Cetes, 30-year Mbono (Jul'53), 3-year Udibono (Dec'26) and 2-, 5- and 10-year Bondes F				
<b>United States</b>					
<b>14:30</b>	Fed's Williams Speaks at Bloomberg Invest Forum				
<b>China</b>					
<b>20:45</b>	Services PMI (Caixin)* - Feb	index	--	50.8	51.0
<b>20:45</b>	Composite PMI (Caixin)* - Feb	index	--	--	51.1

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

March 4, 2025



**Alejandro Padilla Santana**  
Chief Economist and Head of Research  
alejandro.padilla@banorte.com



**Juan Carlos Alderete Macal, CFA**  
Executive Director of Economic Research and Market Strategy  
juan.alderete.macal@banorte.com



**Alejandro Cervantes Llamas**  
Executive Director of Quantitative Analysis  
alejandro.cervantes@banorte.com



**Santiago Leal Singer**  
Director of Market Strategy  
santiago.leal@banorte.com



[@analisis\\_fundam](http://www.banorte.com/analisiseconomico)

Document for distribution among public

### A glimpse to the main financial assets

	Last	Daily chg.
<b>Equity indices</b>		
S&P 500 Futures	5,829.25	-0.5%
Euro Stoxx 50	5,416.69	-2.2%
Nikkei 225	37,331.18	-1.2%
Shanghai Composite	3,324.21	0.2%
<b>Currencies</b>		
USD/MXN	20.72	0.1%
EUR/USD	1.05	0.6%
DX	105.90	-0.8%
<b>Commodities</b>		
WTI	67.21	-1.7%
Brent	70.21	-2.0%
Gold	2,923.25	1.1%
Copper	452.95	-1.0%
<b>Sovereign bonds</b>		
10-year Treasury	4.14	-1pb

Source: Bloomberg

## Equities

- Nearly across-the-board declines in the main indexes. In that sense, cautious sentiment prevails as investors are adjusting growth prospects following the recent imposition of tariffs by the US
- In the US, futures anticipate a slightly negative opening, with the Nasdaq down 0.3% below its theoretical value. Europe, meanwhile, trades with losses and the Eurostoxx is declining 2.2%, with the biggest falls in the energy and technology sector. However, some defense stocks such as Thales rose 8.0% after reporting better-than-expected figures. Asia closed with a negative bias
- In corporate news, out of 5 S&P500 companies that release their results today, 3 have already reported. Target is anticipating little or no sales growth in 2025, as well as pressure on earnings due to uncertain environment

## Sovereign fixed income, currencies and commodities

- The Treasuries' curve steepens due to gains at the short-end of 4bps and losses at the long-end of 2bps. This shows greater bets for rate cuts by Fed, with the front-end fully prices three 25bps cuts in June, September, and December from a total of -57bps the previous week. In Europe, the 10-year rates rise around 2bps
- Dollar retreats against most of the G10 currencies with CHF (+0.9%) and JPY (+0.9%) as the strongest. In EM, the bias is positive; however, MXN is the only en negative domain, trading with a 0.1% depreciation at 20.72 per dollar after reaching of up to 20.93 earlier
- Energy commodities extend their slump on concerns over a brusing global trade war and OPEC+ plans to revive halted production starting in April. In metals, gold advances 1.0%

## Corporate Debt

- Fitch Ratings affirmed Toyota Financial Services México long- and short-term national ratings at 'AAA(mex)' with Stable outlook and 'F1+' respectively. The ratings are based on the support capability of its parent company Toyota Motor Corporation
- Fitch ratings affirmed GM Financial México long- and short-term national ratings at 'AAA(mex)' and 'F1+' respectively. The ratings are based on unconditional and irrevocable guarantee provided by General Motors Financial Company
- Fitch Ratings affirmed Ford Credit de México long- and short-term national ratings at 'AA+(mex)' and 'F1+' respectively. The ratings are based on the support capacity of its parent company Ford Motor Company, considering that FC Mexico is a fundamental subsidiary for the group

## Previous closing levels

	Last	Daily chg.
<b>Equity indices</b>		
Dow Jones	43,191.24	-1.5%
S&P 500	5,849.72	-1.8%
Nasdaq	18,350.19	-2.6%
IPC	52,081.59	-0.5%
Ibovespa	122,799.09	0.0%
Euro Stoxx 50	5,540.69	1.4%
FTSE 100	8,871.31	0.7%
CAC 40	8,199.71	1.1%
DAX	23,147.02	2.6%
Nikkei 225	37,785.47	1.7%
Hang Seng	23,006.27	0.3%
Shanghai Composite	3,316.93	-0.1%
<b>Sovereign bonds</b>		
2-year Treasuries	3.95	-4pb
10-year Treasuries	4.16	-5pb
28-day Cetes	9.45	0pb
28-day TIIE	9.79	4pb
2-year Mbono	8.86	-3pb
10-year Mbono	9.47	-5pb
<b>Currencies</b>		
USD/MXN	20.69	0.7%
EUR/USD	1.05	1.1%
GBP/USD	1.27	1.0%
DX	106.75	-0.8%
<b>Commodities</b>		
WTI	68.37	-2.0%
Brent	71.62	-2.1%
Mexican mix	65.04	-0.9%
Gold	2,892.73	1.2%
Copper	460.70	1.3%

Source: Bloomberg

This document is provided for the reader's convenience only. The translation from the original Spanish version was made by Banorte's staff. Discrepancies may possibly arise between the original document in Spanish and its English translation. For this reason, the original research paper in Spanish is the only official document. The Spanish version was released before the English translation. The original document entitled "Apertura de Mercados Financieros" was released earlier today.

## Analyst Certification.

We, Alejandro Padilla Santana, Juan Carlos Alderete Macal, Alejandro Cervantes Llamas, Marissa Garza Ostos, Katia Celina Goya Ostos, Francisco José Flores Serrano, José Luis García Casales, Santiago Leal Singer, Víctor Hugo Cortes Castro, Leslie Thalia Orozco Vélez, Hugo Armando Gómez Solís, Carlos Hernández García, Yazmín Selene Pérez Enríquez, Cintia Gisela Nava Roa, José De Jesús Ramírez Martínez, Daniel Sebastián Sosa Aguilar, Gerardo Daniel Valle Trujillo, Luis Leopoldo López Salinas, Marcos Saúl García Hernandez, Juan Carlos Mercado Garduño, Ana Gabriela Martínez Mosqueda, Ana Laura Zaragoza Félix, Jazmin Daniela Cuautencos Mora, Andrea Muñoz Sánchez and Paula Lozoya Valadez, certify that the points of view expressed in this document are a faithful reflection of our personal opinion on the company (s) or firm (s) within this report, along with its affiliates and/or securities issued. Moreover, we also state that we have not received, nor receive, or will receive compensation other than that of Grupo Financiero Banorte S.A.B. of C.V for the provision of our services.

## Relevant statements.

In accordance with current laws and internal procedures manuals, analysts are allowed to hold long or short positions in shares or securities issued by companies that are listed on the Mexican Stock Exchange and may be the subject of this report; nonetheless, equity analysts have to adhere to certain rules that regulate their participation in the market in order to prevent, among other things, the use of private information for their benefit and to avoid conflicts of interest. Analysts shall refrain from investing and holding transactions with securities or derivative instruments directly or through an intermediary person, with Securities subject to research reports, from 30 calendar days prior to the issuance date of the report in question, and up to 10 calendar days after its distribution date.

## Compensation of Analysts.

Analysts' compensation is based on activities and services that are aimed at benefiting the investment clients of Casa de Bolsa Banorte and its subsidiaries. Such compensation is determined based on the general profitability of the Brokerage House and the Financial Group and on the individual performance of each analyst. However, investors should note that analysts do not receive direct payment or compensation for any specific transaction in investment banking or in other business areas.

## Last-twelve-month activities of the business areas.

Grupo Financiero Banorte S.A.B. de C.V., through its business areas, provides services that include, among others, those corresponding to investment banking and corporate banking, to a large number of companies in Mexico and abroad. It may have provided, is providing or, in the future, will provide a service such as those mentioned to the companies or firms that are the subject of this report. Casa de Bolsa Banorte or its affiliates receive compensation from such corporations in consideration of the aforementioned services.

Over the course of the last twelve months, Grupo Financiero Banorte S.A.B. C.V., has not obtained compensation for services rendered by the investment bank or by any of its other business areas of the following companies or their subsidiaries, some of which could be analyzed within this report.

## Activities of the business areas during the next three months.

Casa de Bolsa Banorte, Grupo Financiero Banorte or its subsidiaries expect to receive or intend to obtain revenue from the services provided by investment banking or any other of its business areas, by issuers or their subsidiaries, some of which could be analyzed in this report.

## Securities holdings and other disclosures.

As of the end of last quarter, Grupo Financiero Banorte S.A.B. of C.V. has not held investments, directly or indirectly, in securities or derivative financial instruments, whose underlying securities are the subject of recommendations, representing 1% or more of its investment portfolio of outstanding securities or 1 % of the issuance or underlying of the securities issued.

None of the members of the Board of Grupo Financiero Banorte and Casa de Bolsa Banorte, along general managers and executives of an immediately below level, have any charges in the issuers that may be analyzed in this document.

The Analysts of Grupo Financiero Banorte S.A.B. of C.V. do not maintain direct investments or through an intermediary person, in the securities or derivative instruments object of this analysis report.

## Guide for investment recommendations.

	Reference
BUY	When the share expected performance is greater than the MEXBOL estimated performance.
HOLD	When the share expected performance is similar to the MEXBOL estimated performance.
SELL	When the share expected performance is lower than the MEXBOL estimated performance.

Even though this document offers a general criterion of investment, we urge readers to seek advice from their own Consultants or Financial Advisors, in order to consider whether any of the values mentioned in this report are in line with their investment goals, risk and financial position.

## Determination of Target Prices

For the calculation of estimated target prices for securities, analysts use a combination of methodologies generally accepted among financial analysts, including, but not limited to, multiples analysis, discounted cash flows, sum-of-the-parts or any other method that could be applicable in each specific case according to the current regulation. No guarantee can be given that the target prices calculated for the securities will be achieved by the analysts of Grupo Financiero Banorte S.A.B. C.V, since this depends on a large number of various endogenous and exogenous factors that affect the performance of the issuing company, the environment in which it performs, along with the influence of trends of the stock market, in which it is listed. Moreover, the investor must consider that the price of the securities or instruments can fluctuate against their interest and cause the partial and even total loss of the invested capital.

*The information contained hereby has been obtained from sources that we consider to be reliable, but we make no representation as to its accuracy or completeness. The information, estimations and recommendations included in this document are valid as of the issue date, but are subject to modifications and changes without prior notice; Grupo Financiero Banorte S.A.B. of C.V. does not commit to communicate the changes and also to keep the content of this document updated. Grupo Financiero Banorte S.A.B. of C.V. takes no responsibility for any loss arising from the use of this report or its content. This document may not be photocopied, quoted, disclosed, used, or reproduced in whole or in part without prior written authorization from Grupo Financiero Banorte S.A.B. of C.V.*



**Raquel Vázquez Godínez**  
Assistant  
raquel.vazquez@banorte.com  
(55) 1670 - 2967



**María Fernanda Vargas Santoyo**  
Analyst  
maria.vargas.santoyo@banorte.com  
(55) 1103 - 4000 x 2586

#### Economic Research



**Juan Carlos Alderete Macal, CFA**  
Executive Director of Economic Research and  
Market Strategy  
juan.alderete.macal@banorte.com  
(55) 1103 - 4046



**Yazmín Selene Pérez Enríquez**  
Senior Economist, Mexico  
yazmin.perez.enriquez@banorte.com  
(55) 5268 - 1694

#### Market Strategy



**Santiago Leal Singer**  
Director of Market Strategy  
santiago.leal@banorte.com  
(55) 1670 - 1751



**Carlos Hernández García**  
Senior Strategist, Equity  
carlos.hernandez.garcia@banorte.com  
(55) 1670 - 2250



**Marcos Saúl García Hernández**  
Analyst, Fixed Income, FX and Commodities  
marcos.garcia.hernandez@banorte.com  
(55) 1670 - 2296



**Juan Carlos Mercado Garduño**  
Strategist, Equity  
juan.mercado.garduno@banorte.com  
(55) 1103 - 4000 x 1746

#### Quantitative Analysis



**Alejandro Cervantes Llamas**  
Executive Director of Quantitative Analysis  
alejandro.cervantes@banorte.com  
(55) 1670 - 2972



**Daniel Sebastián Sosa Aguilar**  
Senior Analyst, Quantitative Analysis  
daniel.sosa@banorte.com  
(55) 1103 - 4000 x 2124



**Alejandro Padilla Santana**  
Chief Economist and Head of  
Research  
alejandro.padilla@banorte.com  
(55) 1103 - 4043



**Itzel Martínez Rojas**  
Analyst  
itzel.martinez.rojas@banorte.com  
(55) 1670 - 2251



**Francisco José Flores Serrano**  
Director of Economic Research, Mexico  
francisco.flores.serrano@banorte.com  
(55) 1670 - 2957



**Cintia Gisela Nava Roa**  
Senior Economist, Mexico  
cintia.nava.roa@banorte.com  
(55) 1105 - 1438



**Marissa Garza Ostos**  
Director of Equity Strategy  
marissa.garza@banorte.com  
(55) 1670 - 1719



**Hugo Armando Gómez Solís**  
Senior Strategist, Equity  
hugo.gomez@banorte.com  
(55) 1670 - 2247



**Gerardo Daniel Valle Trujillo**  
Senior Analyst, Corporate Debt  
gerardo.valle.trujillo@banorte.com  
(55) 1670 - 2248



**Ana Gabriela Martínez Mosqueda**  
Strategist, Equity  
ana.martinez.mosqueda@banorte.com  
(55) 5261 - 4882



**José Luis García Casales**  
Director of Quantitative Analysis  
jose.garcia.casales@banorte.com  
(55) 8510 - 4608



**Jazmin Daniela Cuautencos Mora**  
Strategist, Quantitative Analysis  
jazmin.cuautencos.mora@banorte.com  
(55) 1670 - 2904



**Lourdes Calvo Fernández**  
Analyst (Edition)  
lourdes.calvo@banorte.com  
(55) 1103 - 4000 x 2611



**Katia Celina Goya Ostos**  
Director of Economic Research,  
Global  
katia.goya@banorte.com  
(55) 1670 - 1821



**Luis Leopoldo López Salinas**  
Economist, Global  
luis.lopez.salinas@banorte.com  
(55) 1103 - 4000 x 2707



**Víctor Hugo Cortes Castro**  
Senior Strategist, Technical  
victorh.cortes@banorte.com  
(55) 1670 - 1800



**Leslie Thalía Orozco Vélez**  
Senior Strategist, Fixed Income and FX  
leslie.orozco.velez@banorte.com  
(55) 5268 - 1698



**Ana Laura Zaragoza Félix**  
Strategist, Corporate Debt  
ana.zaragoza.felix@banorte.com  
(55) 1103 - 4000



**Paula Lozoya Valadez**  
Analyst, Equity  
paula.lozoya.valadez@banorte.com  
(55) 1103 - 4000 x 2060



**José De Jesús Ramírez Martínez**  
Senior Analyst, Quantitative Analysis  
jose.ramirez.martinez@banorte.com  
(55) 1103 - 4000



**Andrea Muñoz Sánchez**  
Strategist, Quantitative Analysis  
andrea.muñoz.sanchez@banorte.com  
(55) 1105 - 1430