Economic and Financial Markets Research

Economic Research and Market Strategy

Financial Markets Daily

Main drivers for the financial markets today...

- **Stock markets mixed -but with S&P500 futures down-, government bond yields also down, the USD slightly stronger, and gold at new historical highs amid caution ahead of the imminent arrival of new US tariffs tomorrow**

- **In economic data, Eurozone inflation in March moderated to 2.2% y/y, with core also easing to 2.4%. The unemployment rate in the region fell to 6.1% in February. Manufacturing PMIs for both Germany and the region remained in contraction at 48.3pts and 48.6pts, respectively. In China, the Caixin indicator surprised higher at 51.2pts. Busy agenda for the rest of the day in both the US and Mexico, highlighting in our country the presentation of the *2026 Preliminary Policy Criteria* by the MoF, with attention to updates to macroeconomic and fiscal estimates**

- **On the monetary front, in Australia the central bank left its rate unchanged at 4.10%. Today we will be watching for comments from the ECB's Christine Lagarde -especially after the inflation data- as well as Thomas Barkin's (Richmond Fed) speech in the US**

- **In other news, President Trump is expected to unveil his 'reciprocal tariffs' tomorrow at an event at the White House at 3:00pm US Eastern Time. According to initial reports the announcement will include tariffs by country and not by sector, although this could change**

The most relevant economic data...

	Event/Period	Unit	Banorte	Survey	Previous
Eurozone					
5:00	Consumer prices - Mar (P)	% y/y	--	2.2	2.3
5:00	Core - Mar (P)	% y/y	--	2.5	2.6
United States					
9:00	Fed's Barkin Discusses Policy, Economic Outlook				
9:45	Manufacturing PMI* - Mar (F)	index	--	49.8	49.8
10:00	JOLTS Job Openings - Feb	thousands	--	7,680	7,740
10:00	ISM manufacturing* - Mar	index	50.1	49.5	50.3
	Total vehicle sales** - Mar	millions	--	16.0	16.0
Mexico					
	Deadline for the release of the 2026 Preliminary Policy Criteria				
11:00	International reserves - Mar 28	US$bn	--	--	236.7
11:00	Family remittances - Feb	US$bn	4,577.2	4,578.6	4,660.2
11:00	Survey of expectations (Banxico)				
13:30	Government weekly auction: 1-, 3-, 6-, and 12-month Cetes, 10-year Mbono (Nov'34), 10-year Udibono (Aug'34) and 2-, 5- and 10-year Bondes F				
14:00	Manufacturing PMI (IMEF)* - Mar	index	47.3	--	47.0
14:00	Non-manufacturing PMI (IMEF)* - Mar	index	49.0	--	49.5

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	5,626.00	-0.5%
Euro Stoxx 50	5,298.24	0.9%
Nikkei 225	35,624.48	0.0%
Shanghai Composite	3,348.44	0.4%
Currencies		
USD/MXN	20.53	0.3%
EUR/USD	1.08	-0.2%
DXY	104.26	0.0%
Commodities		
WTI	71.40	-0.1%
Brent	74.68	-0.1%
Gold	3,133.61	0.3%
Copper	506.30	0.6%
Sovereign bonds		
10-year Treasury	4.16	-5pb

Source: Bloomberg

Equities

- **Mixed movements in the main stock markets. Although caution remains related to the risks associated with US tariffs, investors are assessing growth by region**

- **In the US, futures anticipate a negative opening and the Nasdaq falls 0.3% below its theoretical value. On the other hand, optimism prevails in Europe where widespread gains are observed. In this sense, the Eurostoxx rose 1.0%, supported by the rise in technology. Likewise, Asia closed positive, with the Hang Seng climbing 0.4%**

- **Among some stock movements that stand out prior to the US market opening is Newsmax, which rises 25% after a ~487% increase on its first day of trading. On the other hand, Johnson & Johnson falls more than 3.6% after a judge rejected its third attempt to use the bankruptcy of one of its units to put an end to certain legal claims**

Sovereign fixed income, currencies and commodities

- **The Treasuries' curve marks a flattening bias in the face of broader gains at the long-end of 6bps. In Europe, 10-year rates also decline by around 8bps. Yesterday, Mexico's Mbonos curve lost 2bps on average, with the 10-year benchmark remaining at 9.34%**

- **The USD advances amid a mixed performance in developed currencies bounded by JPY (+0.5%) and DKK (-0.3%). In EM, the bias is negative, but CLP (+0.3%) separates itself from its peers. The MXN is the weakest in LatAm at 20.53 per dollar (-0.3%), stringing together six days of losses**

- **Crude- oil stabilized after Trump moderated his comments on Russia that caused the biggest price jump since January. In metals, gold (+0.3%) hits new all-time highs surpassing 3,130 dollars per troy ounce**

Corporate Debt

- **Today will be held the auction of two unsecured bonds by FEFA, FEFA 25 / 25G (Gender Social Bond), for a target amount of MXN 4.0 billion (max. MXN 8.0 billion) and 1.5- and 3-year terms. Both series will pay a floating rate referenced to TIIE-F. The assigned ratings were 'mxAAA' by S&P Global and 'HR AAA' by HR Ratings**

- **S&P Global Ratings assigned 'mxAAA' ratings to BBVA Mexico's proposed social bonds, BBVAMX 25S / 25-2S. The rating reflects that the issues will rank pari passu with all of the bank's existing and future unsecured debt**

Previous closing levels

	Last	Daily chg.
Equity indices		
Dow Jones	42,001.76	1.0%
S&P 500	5,611.85	0.6%
Nasdaq	17,299.29	-0.1%
IPC	52,484.43	-1.3%
Ibovespa	130,259.54	-1.2%
Euro Stoxx 50	5,248.39	-1.6%
FTSE 100	8,582.81	-0.9%
CAC 40	7,790.71	-1.6%
DAX	22,163.49	-1.3%
Nikkei 225	35,617.56	-4.0%
Hang Seng	23,119.58	-1.3%
Shanghai Composite	3,335.75	-0.5%
Sovereign bonds		
2-year Treasuries	3.88	-3pb
10-year Treasuries	4.21	-4pb
28-day Cetes	9.02	0pb
28-day TIIE	9.27	1pb
2-year Mbono	8.57	3pb
10-year Mbono	9.36	-3pb
Currencies		
USD/MXN	20.47	0.5%
EUR/USD	1.08	-0.1%
GBP/USD	1.29	-0.2%
DXY	104.21	0.2%
Commodities		
WTI	71.48	3.1%
Brent	74.74	1.5%
Mexican mix	66.72	0.0%
Gold	3,123.57	1.2%
Copper	503.40	-1.9%

Source: Bloomberg

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 Thalía 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.

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	Reference
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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.

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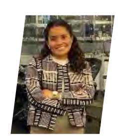

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