

## Financial Markets Daily

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

- **Stock markets mixed, government bond yields and USD down.** Investors are reacting to Japan's ruling coalition failing to win a majority in the upper house election. This could affect the Asian country's trade negotiations with the US. S&P500 futures up less focused on tariffs and optimistic about corporate reports and the economy
- **No relevant data releases today either in the US or Mexico**
- **Market attention this week on July PMI indicators in various regions, including the Eurozone, UK, and US.** The latter country has shown stronger figures in the latest release despite tariff uncertainty. At least in part, this explains the divergence in monetary policy stances. In this backdrop, the ECB will announce its decision. We agree with consensus that the central bank will leave its interest rates unchanged, with the deposit rate at 2.00%
- **In the same front, decisions also in Hungary, Turkey, and Russia.** The Chair of the Fed, Jerome Powell, will give a speech on a regulatory conference. Nevertheless, it is highly likely that he will avoid commenting on the policy stance due to the institution's silence period
- **In events, the European Union-China Summit will be held in Beijing.** Meanwhile, the US House of Representatives will begin its summer recess at the end of the week
- **The rest of US data includes new and existing home sales, along with durable goods orders (Jun).** In other regions we highlight monetary aggregates (Jun) and consumer confidence (Jul) in the Eurozone; the IFO survey (Jul) in Germany; and inflation (1H-Jul) in Brazil
- **In Mexico we estimate inflation in 1H-July at 0.36% 2w/2w on the back of higher food prices.** We will also know retail sales, the monthly GDP-proxy IGAE (May), and the banking sector survey. We will be attentive to the possible release of Pemex's new business plan

### The most relevant economic data...

Event/Period	Unit	Banorte	Survey	Previous
--------------	------	---------	--------	----------

No relevant economic data will be released today

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

July 21, 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.mactal@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



[www.banorte.com/analiseeconomica](http://www.banorte.com/analiseeconomica)  
[@analisis\\_fundam](https://twitter.com/analisis_fundam)

Document for distribution among public

### A glimpse to the main financial assets

	Last	Daily chg.
<b>Equity indices</b>		
S&P 500 Futures	6,347.25	0.2%
Euro Stoxx 50	5,335.76	-0.4%
Nikkei 225	39,819.11	0.0%
Shanghai Composite	3,559.79	0.7%
<b>Currencies</b>		
USD/MXN	18.64	-0.6%
EUR/USD	1.17	0.3%
DX	98.04	-0.4%
<b>Commodities</b>		
WTI	67.45	0.2%
Brent	69.06	-0.3%
Gold	3,387.30	1.1%
Copper	555.30	-0.4%
<b>Sovereign bonds</b>		
10-year Treasury	4.37	-5pb

Source: Bloomberg

## Equities

- Mixed movements in main stock indices, as investors prepare for a very active corporate earnings week, with the results of 110 companies, including Alphabet and Tesla that will release their figures on Wednesday 23
- In the US, futures anticipate a positive opening with the S&P500 up 0.2%, continuing with the optimism of the last week that led it to reach a new all-time high. Europe trades with losses. Stellantis NV fell after reporting a loss in 1Q25, affected by its restructuring expenses, the slowdown in sales and tariffs. Asia closed mixed, with a 0.7% rise in the Hang Seng and a 0.2% adjustment in the Nikkei
- In Mexico, the season will also intensify with the figures of 21 companies that are part of the Mexbol. At market's close, Gap will present its results

## Sovereign fixed income, currencies and commodities

- Risk aversion is driving gains in the sovereign debt market as the deadline to reach a trade deal with the US approaches. The US Treasury curve flattens with gains of 1bp to 5bps. In Europe, 10-year rates register an adjustment of -7bps. Last week, Mbonos averaged losses of 2bps
- USD is weakening against all G10 currencies, with the JPY (+0.9%) being the strongest, following Japan's election in which the ruling coalition lost its majority. In EM the bias is also positive, led by European currencies. The MXN is the strongest in the group, appreciating 0.5% to 18.65 per dollar
- Crude-oil futures are down slightly as investors monitor trade negotiations and the EU's restrictions on Russia. Metals exhibit a positive bias

## Previous closing levels

	Last	Daily chg.
<b>Equity indices</b>		
Dow Jones	44,342.19	-0.3%
S&P 500	6,296.79	0.0%
Nasdaq	20,895.66	0.0%
IPC	56,273.45	-0.8%
Ibovespa	133,381.58	-1.6%
Euro Stoxx 50	5,359.23	-0.3%
FTSE 100	8,992.12	0.2%
CAC 40	7,822.67	0.0%
DAX	24,289.51	-0.3%
Nikkei 225	39,819.11	-0.2%
Hang Seng	24,825.66	1.3%
Shanghai Composite	3,534.48	0.5%
<b>Sovereign bonds</b>		
2-year Treasuries	3.87	-4pb
10-year Treasuries	4.42	-4pb
28-day Cetes	7.99	-1pb
28-day TIIIE	8.23	0pb
2-year Mbono	8.18	0pb
10-year Mbono	9.50	1pb
<b>Currencies</b>		
USD/MXN	18.75	-0.1%
EUR/USD	1.16	0.3%
GBP/USD	1.34	0.0%
DX-Y	98.48	-0.3%
<b>Commodities</b>		
WTI	67.34	-0.3%
Brent	69.28	-0.3%
Mexican mix	63.67	-0.1%
Gold	3,349.94	0.3%
Copper	560.45	1.7%

Source: Bloomberg

## Corporate Debt

- Moody's Local MX affirmed Sofoplus's ratings at 'A+.mx' with a Stable outlook and its short-term rating at 'ML A-1.mx'. The ratings reflect the company's solid capitalization, underpinned by strong and improving profitability
- Fitch Ratings affirmed the ratings of TIP de México's issuances, TIPMXCB 23 / 23-2, at 'AAA(mex)' with a Stable outlook. As of May 2025, default indicators remain below base-case expectations

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, 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



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

#### 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



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



**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



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



**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