Economic and Financial Markets Research

Economic Research and Market Strategy

July 29, 2025

Financial Markets Daily

Main drivers for the financial markets today...

- **Stock markets positive, government bond yields are down, and the USD higher, with the market waiting for key indicators such as employment and inflation, as well as the Fed's decision tomorrow, where we do not expect changes in interest rates, while President Trump continues to call for lower rates**

- **In Stockholm, talks to extend the US-China tariff truce began their second day. The goal is to extend the 90-day pause, which ends in two weeks. US Treasury Secretary, Scott Bessent, previously stated that an extension is likely**

- **China's trade recorded its worst week in nearly three months, a sign that this year's record volumes may be starting to slow. With a 7% contraction vs the previous week, the metric for containers processed by the country's ports was the lowest since the second week of May**

- **Taiwanese President Lai Ching-te appeared to cancel a planned overseas trip next week after the Trump administration failed to greenlight his stopover in the US, amid concerns that it could derail trade talks with China. Lai was scheduled to visit New York on August 4 and Dallas 10 days later**

- **On the economic agenda, June's trade balance in the US posted a US$86.0 billion deficit. The job openings report (JOTLS) for the same month will be released later**

- **After the US threatened with shortening the deadline for imposing secondary sanctions on Russia (10 to 12 days) in order to end the war against Ukraine, the Kremlin explained that it "takes note", but that the Russian president is unlikely to change course**

The most relevant economic data...

	Event/Period	Unit	Banorte	Survey	Previous
United States					
8:30	Trade balance* - Jun	US$bn	--	-98.0	-96.4
9:00	S&P/CoreLogic housing prices - May	% y/y	--	3.0	3.4
10:00	JOLTS Job Openings - Jun	thousands	--	7,450	7,769
10:00	Consumer confidence* - Jul	index	--	96.0	93.0
Mexico					
11:00	International reserves - Jul 25	US$bn	--	--	242.1
13:30	Government weekly auction: 1-, 3-, 6-, and 24-month Cetes, 3-year Mbono (Mar'28), 30-year Udibono (Oct'54) and 1-, 3- and 7-year Bondes F				
Chile					
18:00	Monetary policy decision (BCCh)	%	--	4.75	5.00

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	6,436.75	0.2%
Euro Stoxx 50	5,393.86	1.1%
Nikkei 225	40,674.55	-0.8%
Shanghai Composite	3,609.71	0.3%
Currencies		
USD/MXN	18.82	0.3%
EUR/USD	1.15	-0.5%
DXY	99.01	0.4%
Commodities		
WTI	67.02	0.5%
Brent	70.32	0.4%
Gold	3,319.48	0.1%
Copper	559.50	0.0%
Sovereign bonds		
10-year Treasury	4.38	-3pb

Source: Bloomberg

Equities

- **Stock markets are predominantly bullish as investors digest positive data. Out of 34 S&P500 companies that release their results today, 18 have already done so with a positive bias. However, Whirlpool falls by 17.0% after cutting its earnings estimates**

- **In the US, futures anticipate a positive opening, where the S&P500 rises 0.2% above its theoretical value and is poised to reach a new all-time high. Europe also trades with gains and the Eurostoxx is up 1.1%. In particular, AstraZeneca (+2.0%) beat estimates in 2Q25**

- **In Mexico, yesterday Fibrapl reported relevant advances supported by inorganic growth and important adjustments in rent. Chedraui's growth was driven by Mexico and favorable exchange rate effects for dollarized operations. Liverpool surprised with negative figures, registering a drop in EBITDA**

Sovereign fixed income, currencies and commodities

- **Slightly positive balance in sovereign bonds. The Treasuries' curve flattens with better performance at the long-end (-3bps). Meanwhile, 10-year rates in Europe decrease slightly by between 1bp and 2bps. Yesterday, Mbonos ended the session with modest losses. The 10-year reference (Feb'36) closed at 9.49% (+1bp)**

- **The dollar advances against all developed currencies, with SEK (-0.7%) being the weakest. The dynamics in EM are also negative with European currencies leading the losses (-1.1%). Meanwhile, the MXN depreciates 0.3% to 18.82 per dollar**

- **Crude-oil futures rise as Trump's pressure on Russia for a quick truce with Ukraine has raised concerns about supply disruptions. In metals, precious ones gain ground, while industrials fall**

Corporate Debt

- **Moody's Local Mexico affirmed Banco Invex's ratings at 'AA-.mx' and 'ML A-1.mx,' citing the institution's solid fundamentals. Profitability remains below the levels observed in the banking system as of March 2025, yet stable, supported by trust services, credit card operations, and other business lines**

- **HR Ratings affirmed Korea Eximbank's 'HR AAA' ratings with a Stable outlook. The confirmation is anchored in the bank's explicit financial backing from the South Korean government, as stipulated under the KEXIM Act**

Previous closing levels

	Last	Daily chg.
Equity indices		
Dow Jones	44,837.56	-0.1%
S&P 500	6,389.77	0.0%
Nasdaq	21,178.58	0.3%
IPC	57,083.56	-0.4%
Ibovespa	132,129.26	-1.0%
Euro Stoxx 50	5,337.58	-0.3%
FTSE 100	9,081.44	-0.4%
CAC 40	7,800.88	-0.4%
DAX	23,970.36	-1.0%
Nikkei 225	40,998.27	-1.1%
Hang Seng	25,562.13	0.7%
Shanghai Composite	3,597.94	0.1%
Sovereign bonds		
2-year Treasuries	3.93	0pb
10-year Treasuries	4.41	2pb
28-day Cetes	7.74	-16pb
28-day TIIE	8.23	-3pb
2-year Mbono	8.15	3pb
10-year Mbono	9.50	0pb
Currencies		
USD/MXN	18.77	1.2%
EUR/USD	1.16	-1.3%
GBP/USD	1.34	-0.6%
DXY	98.63	1.0%
Commodities		
WTI	66.71	2.4%
Brent	70.04	2.3%
Mexican mix	63.83	1.5%
Gold	3,314.61	-0.7%
Copper	561.55	-2.9%

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, 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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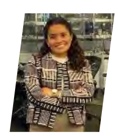

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