Economic and Financial Markets Research

Economic Research and Market Strategy

Financial Markets Daily

August 7, 2025

Main drivers for the financial markets today...

- **Stock markets up, USD down and government bond yields mixed with hopes of a truce between Russia and Ukraine after the confirmation of an upcoming meeting between presidents Putin and Trump. However, some caution persists after President Trump's threats of 100% tariffs to semiconductors and an increase to China, among other issues**

- **Regarding economic figures, in the US jobless claims for the week ending August 2 were released, standing at 226k (consensus 222k). Productivity for 2Q25 was also published at 2.4%, above estimates and following a decline in the previous quarter, while unit labor costs slightly exceeded expectations and moderated sharply**

- **On the monetary policy front, the Bank of England cut its rate by 25bps to 4.00% in a split decision, with five votes in favor and four against. Fed's Bostic will speak later**

- **In Mexico, we will be attentive to Banxico's decision where we expect a 25bps cut**

- **INEGI released July's inflation at 0.27% m/m –in line with expectations–, with the core at 0.31%. As such, the annual print moderated to 3.51% from 4.32% in the previous month –with a positive base effect–, and with the core at 4.23% (previous: 4.24%)**

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The most relevant economic data...

	Event/Period	Unit	Banorte	Survey	Previous
Germany and UK					
2:00	GER Industrial production* - Jun	% m/m	--	-0.5	1.2
2:00	GER Trade balance - Jun	EURbn	--	17.3	18.5
7:00	Monetary policy decision (BoE)	%	--	4.00	4.25
Mexico					
8:00	Consumer prices - Jul	% m/m	0.27	0.28	0.28
8:00	Core - Jul	% m/m	0.31	0.30	0.39
8:00	Consumer prices - Jul	% y/y	3.51	3.53	4.32
8:00	Core - Jul	% y/y	4.23	4.23	4.24
15:00	Monetary policy decision (Banxico)	%	7.75	7.75	8.00
United States					
8:30	Initial jobless claims* - Aug 2	thousands	220	222	218
10:00	Fed's Bostic Speaks on Monetary Policy with the Florida Institute of CFOs				
11:00	N. York Fed 1-yr inflation expectations - Jul	%	--	--	3.02
15:00	Consumer credit* - Jun	USDbn	--	7.3	5.1

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	6,407.00	0.6%
Euro Stoxx 50	5,343.59	1.5%
Nikkei 225	41,059.15	0.6%
Shanghai Composite	3,639.67	0.2%
Currencies		
USD/MXN	18.62	0.1%
EUR/USD	1.17	0.0%
DXY	98.21	0.0%
Commodities		
WTI	64.71	0.6%
Brent	67.24	0.5%
Gold	3,388.09	0.6%
Copper	442.35	0.2%
Sovereign bonds		
10-year Treasury	4.23	0pb

Source: Bloomberg

Equities

- **Positive sentiment in the stock markets amid hopes for a geopolitical agreement. Apple, meanwhile, rose in pre-market trading following news of a US$100 billion investment in US chip production, in response to President Trump's proposal to impose a 100% tax on chip imports**

- **Thus, US futures are trading above their theoretical value, rising an average of 0.6%. Meanwhile, the Eurostoxx rose 1.5%, with the technology and materials sectors showing the best performance. Finally, in Asia, the Nikkei and Hang Seng Index rose 0.7% on both stock exchanges**

- **In corporates, of the 36 S&P 500 companies releasing results today, 16 have already reported better-than-expected results. In Mexico, we could see upward movements, similar to its international peers, with the Mexbol approaching 57,500 points**

Sovereign fixed income, currencies and commodities

- **Treasuries curve slightly flattened with gains of up to 1bp in the long-end. In Europe ±1bp movements in the 10-year benchmarks, with the UK splitting from the group (+3bps) after the BoE's rate decision. In Mexico, Mbonos gained 3-5bps yesterday**

- **Positive bias in G10 currencies, with GBP (+0.6%) as the strongest. In EM, the bias is also positive. MXN trades as the weakest of the group (-0.1%) at 18.62 per dollar**

- **Oil benchmarks up after the announcement of a possible meeting between Trump and Putin. Metals also trade positive with copper and gold up 0.2% and 0.3%, respectively**

Corporate Debt

- **Fitch Ratings affirmed Sociedad Hipotecaria Federal's (SHF) long- and short-term ratings at 'AAA(mex)' and 'F1+(mex)', with a Stable Outlook. The ratings are based on the likelihood that the bank would receive extraordinary support from the Federal Government**

- **The agency also affirmed Banobras' long-term rating at 'AAA(mex)' and short-term rating at 'F1+(mex)', with a Stable Outlook. The ratings reflect the Federal Government's strong willingness and adequate capacity to provide support if needed**

- **Fitch Ratings also affirmed Nacional Financiera's (Nafin) long- and short-term ratings at 'AAA(mex)' with a Stable Outlook and 'F1+(mex)', respectively. The rating indicates a high probability that the Federal Government would provide support if necessary**

Previous closing levels

	Last	Daily chg.
Equity indices		
Dow Jones	44,193.12	0.2%
S&P 500	6,345.06	0.7%
Nasdaq	21,169.42	1.2%
IPC	57,154.22	0.1%
Ibovespa	134,537.62	1.0%
Euro Stoxx 50	5,263.29	0.3%
FTSE 100	9,164.31	0.2%
CAC 40	7,635.03	0.2%
DAX	23,924.36	0.3%
Nikkei 225	40,794.86	0.6%
Hang Seng	24,910.63	0.0%
Shanghai Composite	3,634.00	0.5%
Sovereign bonds		
2-year Treasuries	3.71	-1pb
10-year Treasuries	4.23	2pb
28-day Cetes	7.69	19pb
28-day TIIE	8.24	0pb
2-year Mbono	7.95	-6pb
10-year Mbono	9.21	-4pb
Currencies		
USD/MXN	18.60	-0.7%
EUR/USD	1.17	0.7%
GBP/USD	1.34	0.4%
DXY	98.18	-0.6%
Commodities		
WTI	64.35	-1.2%
Brent	66.89	-1.1%
Mexican mix	62.20	-1.0%
Gold	3,369.33	-0.3%
Copper	441.30	0.6%

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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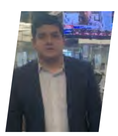

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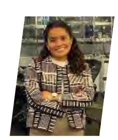

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