

Financial Markets Daily

Main drivers for the financial markets today...

- **Stock markets down, USD negative and government bond yields lower following signs of progress toward a peace agreement in Ukraine. Focus on earnings from retail companies in the US for clues on the impact of tariffs and inflation concerns**
- **US and European officials started work on bolstering Ukraine's military, part of a package of guarantees that will open a path to a meeting between Putin and Zelenskiy. According to a statement by German Chancellor Merz, the meeting between the two presidents could take place within two weeks. The Kremlin has not confirmed anything in this regard so far**
- **In China, fiscal spending expanded at its fastest pace in almost three years, pushing the deficit to a record. This spending includes higher infrastructure outlays and public sector wages**
- **Regarding economic figures, the US released July's building permits and housing starts, with a decline in the former but with an acceleration in the latter. Earlier, the Eurozone's current account for June posted a surplus of €25.8 billion. On the monetary front, we will be attentive to Bowman's comments.**
- **Indian PM, Narendra Modi, continues to foster trade relations with Russia. He recently held a call with Putin, where bilateral cooperation issues were discussed. Meanwhile, Chinese Foreign Minister, Wang Yi, is visiting India with the aim of strengthening diplomacy between the two countries**

The most relevant economic data...

	Event/Period	Unit	Banorte	Survey	Previous
Eurozone					
4:00	Current account* - Jun	EURbn	--	--	32.3
United States					
8:30	Housing starts** - Jul	thousands	--	1,290	1,321
8:30	Building permits** - Jul	thousands	--	1,390	1,393
Mexico					
8:00	Timely Indicator of Economic Activity* - Jul	% y/y	--	--	1.3
11:00	International reserves - Aug 15	US\$bn	--	--	243.2
13:30	Government weekly auction: 1-, 3-, 6-, and 12-month Cetes, 10-year Mbono (Feb'36), 3-year Udibono (Aug'29) and 2-, 5- and 10-year Bondes F				
China					
21:00	Rate decision 1-year Loan Prime Rate	%	--	3.00	3.00
21:00	Rate decision 5-year Loan Prime Rate	%	--	3.50	3.50

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

August 19, 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.
Equity indices		
S&P 500 Futures	6,467.75	0.0%
Euro Stoxx 50	5,474.37	0.7%
Nikkei 225	43,546.29	-0.4%
Shanghai Composite	3,727.29	0.0%
Currencies		
USD/MXN	18.83	0.2%
EUR/USD	1.17	0.1%
DXY	98.01	-0.2%
Commodities		
WTI	62.72	-1.1%
Brent	65.98	-0.9%
Gold	3,336.84	0.1%
Copper	446.05	-0.2%
Sovereign bonds		
10-year Treasury	4.32	-1pb

Source: Bloomberg

Equities

- Mixed movements in the main stock indexes. Investors' attention is focused on the reports of large consumer companies in the US and the progress in the peace negotiations in Ukraine
- In the US, futures anticipate a slightly negative opening with the Nasdaq decreasing 0.1% below its theoretical value. Europe, meanwhile, trades with gains supported by the prospect of an easing of political tensions in the region. The Eurostoxx rises 0.7%, boosted by the materials sector. Asia closed with losses
- Intel rises pre-market (+5.5%) after SoftBank agreed to buy US\$2 billion in shares and the Trump administration is in talks to take a ~10% stake in the company. Meanwhile, Home Depot (+1.2%) reported that SSS was 1% in the quarter, below market consensus expectations

Sovereign fixed income, currencies and commodities

- US Treasuries appreciate by 1-2bps through the curve, after S&P Global affirmed the US sovereign rating. In Europe, 10-year benchmarks trade with small changes. Yesterday, Mbonos' curve appreciated 2bps
- USD down in indices and against most G10 currencies, with CHF (+0.3%) as the strongest. Mixed performance in EM, with HUF (+0.5%) and IDR (-0.5%) in the extremes. MXN slightly negative (-0.2%), extending yesterday's losses, trading at 18.83 per dollar
- Crude oil negative as traders weight the outlook of a ceasefire in Ukraine. In metals, industrials down and precious up, with copper losing 0.1% and gold with 0.1% gains

Corporate Debt

- Moody's Ratings affirmed Total Play's international scale rating at 'B3' and revised the outlook to Positive from Stable. The rating action reflects the company's adequate liquidity position following the bond exchange and liability management transactions executed in 2025.
- Corpovael (CADU) announced it has secured a new revolving credit facility of up to MXN 700 million with a five-year tenor, which will support the construction of more than 17,000 affordable housing units between 2025 and 2030

Previous closing levels

	Last	Daily chg.
Equity indices		
Dow Jones	44,911.82	-0.1%
S&P 500	6,449.15	0.0%
Nasdaq	21,629.77	0.0%
IPC	58,319.70	0.0%
Ibovespa	137,321.64	0.7%
Euro Stoxx 50	5,434.64	-0.3%
FTSE 100	9,157.74	0.2%
CAC 40	7,884.05	-0.5%
DAX	24,314.77	-0.2%
Nikkei 225	43,714.31	0.8%
Hang Seng	25,176.85	-0.4%
Shanghai Composite	3,728.03	0.8%
Sovereign bonds		
2-year Treasuries	3.76	1pb
10-year Treasuries	4.33	2pb
28-day Cetes	7.75	-1pb
28-day TIIE	8.03	2pb
2-year Mbono	7.89	2pb
10-year Mbono	9.15	-4pb
Currencies		
USD/MXN	18.78	0.1%
EUR/USD	1.17	-0.4%
GBP/USD	1.35	-0.4%
DX	98.17	0.3%
Commodities		
WTI	63.42	1.0%
Brent	66.60	1.1%
Mexican mix	61.57	0.9%
Gold	3,332.72	-0.1%
Copper	453.60	-0.4%

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, 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