Economic and Financial Markets Research

Economic Research and Market Strategy

Financial Markets Daily

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Main drivers for the financial markets today…

- **Stock markets and government bond yields mixed, with the USD up. Investors wait for the quarterly earnings from NVIDIA today after the close, also assimilating the potential impact on financial assets should Cook's firing from the Federal Reserve advances**

- **Treasury Secretary Scott Bessent asked Powell to conduct an internal review of the central bank, referring to the mortgage fraud allegations against Lisa Cook**

- **Geopolitical tensions continue. Russia rejected the possibility of European peacekeeping troops being deployed in Ukraine and downplayed the chances of meeting with the Ukrainian president. In response, Trump threatened an economic war if Putin does not agree to a ceasefire**

- **The US economic agenda will be empty. In Mexico, INEGI released July's trade balance, posting a US$16.7 million deficit. Exports came in at 0.0% m/m (4.0% y/y), noting declines in non-oil. Imports grew 0.7% m/m (1.7%y/y), boosted by non-oil**

- **On the monetary policy front, South Korea will announce its decision, where the consensus expects the reference rate to remain unchanged at 2.5%**

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

www.banorte.com/analisiseconomico
@analisis_fundam

The most relevant economic data…

	Event/Period	Unit	Banorte	Survey	Previous
Mexico					
8:00	Trade balance -Jul	US$mn	-477.2	666.0	514.4
South Korea					
	Monetary policy decision (C. bank of S. Korea)	%	--	2.50	2.50

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	6,481.25	0.0%
Euro Stoxx 50	5,401.21	0.3%
Nikkei 225	42,520.27	0.3%
Shanghai Composite	3,800.35	-1.8%
Currencies		
USD/MXN	18.77	0.6%
EUR/USD	1.16	-0.5%
DXY	98.58	0.4%
Commodities		
WTI	63.47	0.3%
Brent	67.41	0.3%
Gold	3,381.44	-0.4%
Copper	447.15	-1.4%
Sovereign bonds		
10-year Treasury	4.29	3pb

Source: Bloomberg

Equities

- **Markets traded mixed as investors await Nvidia's earnings after the close. Focus will be on its sales guidance in China, given tighter restrictions, and new agreements with the US. Another key point will be whether demand for AI chips remains resilient and if major tech firms continue ramping up investments in computing capacity**

- **In the US, futures point to a slightly positive open, up around 0.1% on average. In Europe, the Eurostoxx is advancing, supported by strength in the energy and technology sectors. Asian markets ended mixed, with the Hang Seng down 1.3%**

- **In Mexico, NEXT announced that its Shareholders approved the acquisition of the remaining assets in the Jupiter portfolio along with FUNO's Industrial Portfolio. The company can now move forward with the consolidation process, expected to be completed this year**

Sovereign fixed income, currencies and commodities

- **European rates are stabilizing following recent upward pressure driven by political developments in France and fiscal concerns in the UK. US Treasuries maintain yesterday's steepening bias, with the long-end holding upward pressures of 2bps. The US auction cycle continues today with the issuance of the 5-year note**

- **The USD is reversing prior-session losses, appreciating across the entire G10 complex. In EM FX, the balance also skews toward losses, with European currencies leading the depreciation. The MXN weakens 0.6% to 18.77, hovering near its 50-day moving average (19.74)**

- **Crude oil is consolidating after a ~2% sell-off yesterday, triggered by US tariffs on India over its purchases of Russian oil. Broad-based declines across metals, with copper down 1.4% and gold losing 0.4%**

Corporate Debt

- **Today, Grupo Elektra will auction an unsecured bond, ELEKTRA 25-2, for up to MXN 4.0 billion with a 5-year maturity. The issue has been rated 'AA-.mx' by Moody's Local, 'HR AA' by HR Ratings, and 'AA/M' by PCR Verum**

- **Fitch Ratings upgraded Banco Monex's rating to 'AA(mex)' from 'AA-(mex)' while maintaining a Stable outlook. The upgrade reflects sustained growth in total operating income and consistently solid profitability**

Previous closing levels

	Last	Daily chg.
Equity indices		
Dow Jones	45,418.07	0.3%
S&P 500	6,465.94	0.4%
Nasdaq	21,544.27	0.4%
IPC	58,132.40	-0.6%
Ibovespa	137,771.39	-0.2%
Euro Stoxx 50	5,383.68	-1.1%
FTSE 100	9,265.80	-0.6%
CAC 40	7,709.81	-1.7%
DAX	24,152.87	-0.5%
Nikkei 225	42,394.40	-1.0%
Hang Seng	25,524.92	-1.2%
Shanghai Composite	3,868.38	-0.4%
Sovereign bonds		
2-year Treasuries	3.68	-4pb
10-year Treasuries	4.26	-1pb
28-day Cetes	7.27	-33pb
28-day TIIE	8.02	1pb
2-year Mbono	7.78	-8pb
10-year Mbono	9.05	-1pb
Currencies		
USD/MXN	18.67	-0.1%
EUR/USD	1.16	0.2%
GBP/USD	1.35	0.2%
DXY	98.23	-0.2%
Commodities		
WTI	63.25	-2.4%
Brent	67.22	-2.3%
Mexican mix	62.10	-2.5%
Gold	3,393.57	0.8%
Copper	453.30	-0.3%

Source: Bloomberg

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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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Directory
Research and Strategy

Alejandro Padilla Santana
Chief Economist and Head of Research
alejandro.padilla@banorte.com
(55) 1103 - 4043

Raquel Vázquez Godinez
Assistant
raquel.vazquez@banorte.com
(55) 1670 – 2967

Itzel Martínez Rojas
Analyst
itzel.martinez.rojas@banorte.com
(55) 1670 - 2251

Lourdes Calvo Fernández
Analyst (Edition)
lourdes.calvo@banorte.com
(55) 1103 - 4000 x 2611

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

Francisco José Flores Serrano
Director of Economic Research, Mexico
francisco.flores.serrano@banorte.com
(55) 1670 - 2957

Katia Celina Goya Ostos
Director of Economic Research, Global
katia.goya@banorte.com
(55) 1670 - 1821

Yazmín Selene Pérez Enríquez
Senior Economist, Mexico
yazmin.perez.enriquez@banorte.com
(55) 5268 - 1694

Cintia Gisela Nava Roa
Senior Economist, Mexico
cintia.nava.roa@banorte.com
(55) 1105 - 1438

Luis Leopoldo López Salinas
Economist, Global
luis.lopez.salinas@banorte.com
(55) 1103 - 4000 x 2707

Market Strategy

Santiago Leal Singer
Director of Market Strategy
santiago.leal@banorte.com
(55) 1670 - 1751

Marissa Garza Ostos
Director of Equity Strategy
marissa.garza@banorte.com
(55) 1670 - 1719

Víctor Hugo Cortes Castro
Senior Strategist, Technical
victorh.cortes@banorte.com
(55) 1670 - 1800

Carlos Hernández García
Senior Strategist, Equity
carlos.hernandez.garcia@banorte.com
(55) 1670 – 2250

Hugo Armando Gómez Solís
Senior Strategist, Equity
hugoa.gomez@banorte.com
(55) 1670 - 2247

Leslie Thalía Orozco Vélez
Senior Strategist, Fixed Income and FX
leslie.orozco.velez@banorte.com
(55) 5268 - 1698

Marcos Saúl García Hernandez
Analyst, Fixed Income, FX and Commodities
marcos.garcia.hernandez@banorte.com
(55) 1670 - 2296

Gerardo Daniel Valle Trujillo
Senior Analyst, Corporate Debt
gerardo.valle.trujillo@banorte.com
(55) 1670 - 2248

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

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

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

Quantitative Analysis

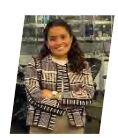
Alejandro Cervantes Llamas
Executive Director of Quantitative Analysis
alejandro.cervantes@banorte.com
(55) 1670 - 2972

José Luis García Casales
Director of Quantitative Analysis
jose.garcia.casales@banorte.com
(55) 8510 - 4608

José De Jesús Ramírez Martínez
Senior Analyst, Quantitative Analysis
jose.ramirez.martinez@banorte.com
(55) 1103 - 4000

Daniel Sebastián Sosa Aguilar
Senior Analyst, Quantitative Analysis
daniel.sosa@banorte.com
(55) 1103 - 4000 x 2124

Jazmin Daniela Cuautencos Mora
Strategist, Quantitative Analysis
jazmin.cuautencos.mora@banorte.com
(55) 1670 - 2904



Andrea Muñoz Sánchez
Strategist, Quantitative Analysis
andrea.muñoz.sanchez@banorte.com
(55) 1105 - 1430