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 USD negative, while government bond yields are mixed as investors' attention shifted to economic releases with focus on the Fed's September meeting, after the conclusion of the earnings season with mixed results from Nvidia**

- **Mexico could increase the tariffs it imposes on China as part of the 2026 budget in order to protect local industry and meet President Trump's demands ahead of the USMCA review**

- **Regarding economic figures, in the US, the second estimate of 2Q25 GDP was released at 3.3% q/q saar (preliminary 3.0%, consensus 3.1%). The report posted an adjustment in personal consumption from 1.4% to 1.6%. Meanwhile, fixed investment increased 3.3%, while inventories subtracted -3.29pp from period growth, and net exports added +4.95pp**

- **In Mexico, INEGI released July's employment report. The unemployment rate rose to 2.77% (+9bps), with 632.6 thousand jobs created. With seasonally adjusted figures the rate came in at 2.56% (-6bps)**

- **On monetary policy, there will be comments from Fed's Waller**

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The most relevant economic data...

	Event/Period	Unit	Banorte	Survey	Previous
Eurozone					
4:00	Monetary aggregates (M3)* - Jul	% y/y	--	3.5	3.3
5:00	Economic confidence* - Aug (F)	index	--	-	-15.5
5:00	Consumer confidence - Aug	index	--	96.0	95.8
Mexico					
8:00	Unemployment rate - Jul	%	2.94	2.86	2.69
United States					
8:30	Gross domestic product** - 2Q25 (F)	% q/q	3.1	3.1	3.0
8:30	Personal consumption** - 2Q25 (F)	% q/q	1.5	1.6	1.4
8:30	Initial jobless claims* - Aug 22	thousands	232	230	235
18:00	Fed's Waller Speaks on Monetary Policy				

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	6,496.75	0.0%
Euro Stoxx 50	5,404.54	0.2%
Nikkei 225	42,828.79	0.7%
Shanghai Composite	3,843.60	1.1%
Currencies		
USD/MXN	18.61	-0.3%
EUR/USD	1.17	0.4%
DXY	97.98	-0.3%
Commodities		
WTI	64.03	-0.2%
Brent	67.89	-0.2%
Gold	3,402.22	0.1%
Copper	443.85	0.4%
Sovereign bonds		
10-year Treasury	4.23	-1pb

Source: Bloomberg

Equities

- **Stock markets performed mixed following the report from Nvidia, the last of the ‘Mag Seven’ this season. The stock price was falling ~2% before the opening bell, due to some investors' concerns that the pace of investment in AI is unsustainable, in addition to sales difficulties in China**

- **Thus, US futures are trading little changed, with the exception of the Dow, which rose around +0.1% before the market opening. Likewise, the Eurostoxx showed slight changes, although the communications (-1.5%) and healthcare (-1.1%) sectors posted significant declines. Finally, in Asia, the stock closed mixed, with the Nikkei up 0.7% and the Hang Seng down 0.8%.**

- **In Mexico, we could see little movement, pending further international and domestic catalysts. We expect the Mexbol to trade around 58,800 points**

Sovereign fixed income, currencies and commodities

- **Treasuries’ curve flattens, with 2bp losses in the short end and 3bps gains in the long end. In Europe, 10-year bonds with small changes, France and UK standing out printing 2bps gains. Yesterday, Mbonos’ curve showed little changes**

- **USD negative for the third day in a row, with all G10 currencies in the green. EM with positive bias, with HKD (-0.1%) separating from the group. MXN follows its peers with 0.3% gains, trading at 18.61 per dollar**

- **The main oil benchmarks drop as traders monitor a looming oversupply and US efforts to stop India’s crude exports from Russia. Metals positive with copper up 0.5% and gold 0.3%**

Corporate Debt

- **KUO announced its intention to exercise the option to redeem in full its Senior Notes 2027 on September 29. The securities were originally issued in 2017 for a total amount of US$450 million. KUO will fund the redemption with proceeds from long-term bank loans**

- **HR Ratings affirmed the rating of the MXPUCB 18 / 18U issuances at ‘HR AAA (E)’ with a Stable outlook. The confirmation is supported by the level of stress the payment source is able to withstand, equivalent to an Annualized Stress Rate of 2.67% (vis-à-vis 2.18% in the previous review)**

Previous closing levels

	Last	Daily chg.
Equity indices		
Dow Jones	45,565.23	0.3%
S&P 500	6,481.40	0.2%
Nasdaq	21,590.14	0.2%
IPC	58,647.52	0.9%
Ibovespa	139,205.81	1.0%
Euro Stoxx 50	5,393.07	0.2%
FTSE 100	9,255.50	-0.1%
CAC 40	7,743.93	0.4%
DAX	24,046.21	-0.4%
Nikkei 225	42,520.27	0.3%
Hang Seng	25,201.76	-1.3%
Shanghai Composite	3,800.35	-1.8%
Sovereign bonds		
2-year Treasuries	3.61	-7pb
10-year Treasuries	4.23	-3pb
28-day Cetes	7.75	48pb
28-day TIIE	8.03	1pb
2-year Mbono	7.82	4pb
10-year Mbono	9.04	0pb
Currencies		
USD/MXN	18.66	0.0%
EUR/USD	1.16	0.0%
GBP/USD	1.35	0.1%
DXY	98.23	0.0%
Commodities		
WTI	64.15	1.4%
Brent	68.05	1.2%
Mexican mix	62.62	0.8%
Gold	3,397.37	0.1%
Copper	449.55	-0.8%

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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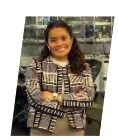

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