

Financial Markets Daily

Main drivers for the financial markets today...

- **Stock markets positive, government bond yields up and USD with losses** with investors digesting activity surveys in the Eurozone that showed a recession is increasingly likely, the victory of far-right legislator Geert Wilders in the Netherlands and more actions to ease the housing crisis in China
- **In the US, markets closed for Thanksgiving Day** (volumes expected to be lower)
- **On the monetary policy front, in the Eurozone the minutes of the ECB's last meeting were published showing that the members consider that they can't rule out another rate hike and it is too early to discuss cutting rates.** Also, they think that the current policy is working well. Later, Banxico will also publish the minutes of its latest decision, where we expect more definition on the implication of the phrase "for a certain time" around the forward guidance for the rate. In addition, we will be attentive to comments regarding inflation, particularly its risk balance
- **In other regions, Indonesia decided on its reference rate, keeping it unchanged at 6.00%, while Turkey made a more aggressive hike than the consensus estimated (37.5%) to 40.0%. Later, the monetary policy decision will be announced in South Africa**
- **In Mexico, INEGI released inflation for 1H-November at 0.63% 2w/2w (above expectations) with the core at 0.20%. As such, the annual print for the headline accelerated to 4.32% from 4.25% in the previous fortnight**

The most relevant economic data...

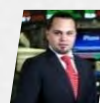
	Event/Period	Unit	Banorte	Survey	Previous
United States					
	Markets closed due to the Thanksgiving holiday				
Turkey					
6:00	Monetary policy decision (C. Bank of Turkey)	%	--	37.50	35.00
Mexico					
7:00	Consumer prices - Nov 15	% 2w/2w	0.62	0.61	0.13
7:00	Core	% 2w/2w	0.23	0.22	0.18
7:00	Consumer prices - Nov 15	% y/y	4.32	4.31	4.25
7:00	Core	% y/y	5.34	5.33	5.46
10:00	Banxico's minutes				
Eurozone					
7:30	ECB's minutes				
South African					
	Monetary policy decision (S. African Reserve Bz	%	--	8.50	8.25

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

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Winners of the 2023 award for best Mexico economic, forecasters, granted by Focus Economics

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A glimpse to the main financial assets

	Last	Daily chg.
Equity indices		
S&P 500 Futures	4,569.25	0.0%
Euro Stoxx 50	4,356.84	0.1%
Nikkei 225	33,451.83	0.0%
Shanghai Composite	3,061.86	0.6%
Currencies		
USD/MXN	17.16	-0.3%
EUR/USD	1.09	0.1%
DX	103.74	-0.2%
Commodities		
WTI	76.47	-0.8%
Brent	81.31	-0.8%
Gold	1,992.36	0.1%
Copper	377.60	0.3%
Sovereign bonds		
10-year Treasury	4.40	0pb

Source: Bloomberg

Equities

- Moderate advances in the stock markets while a certain positive bias prevails, with investors evaluating the global economic and monetary outlook. No activity in the US due to the Thanksgiving holiday, which will affect trading volumes in the rest of the markets
- Europe trades mostly with gains, albeit of a smaller magnitude. The Eurostoxx presents a slight advance, supported mainly by energy shares, while technology firms offset the rise. In Asia, the stock markets closed positive, highlighting the 1.0% increase in the Hang Seng, supported by the hike of Country Garden Holdings as it was chosen for financial support. Japan remained closed for a public holiday
- In Mexico, the Mexbol Index could consolidate around 52,700 pts

Sovereign fixed income, currencies and commodities

- A low trading volume is expected because the US markets will be closed for the holiday. 10-year European rates trade in negative domain with adjustments of up to +6bps. Yesterday, Mbonos' curve lost 7bps, on average, and the 10-year benchmark, May'33, closed at 9.57% (+5bps)
- The dollar retreats, causing a positive performance in most of the developed currencies with GBP (+0.4%) leading the gains. In EM, the bias is also positive with CLP (+0.8%) as the strongest. Meanwhile, MXN appreciates 0.2% trading at 17.16 per dollar
- Crude-oil fell 1.0% as discord about production levels between Saudi Arabia and other members forced the group to delay the upcoming OPEC+ meeting to November 30th. Metals trade with positive bias highlighting copper with an advance of 0.4%

Corporate Debt

- Consorcio Ara announced its intention to make an early voluntary total early amortization of its ARA 21X issue on November 29. Ara has 2 current issuances, ARA 21X and 21-2X, with a combined amount of MXN 1.5 billion and legal maturities for October 2024 and October 2028, respectively. It is important to note that the company intends to place a new bond, ARA 23X, for MXN 1.2 billion on November 27
- Fitch Ratings assigned an 'AAA(mex)' rating with Observation in Evolution to Fibra Uno's proposed issuances, FUNO 23-3L and FUNO 23-4L, for an aggregate amount of up to MXN 2 billion. According to the agency, the ratings reflect the company's market position as the largest and most diversified Real Estate trust in Mexico

Previous closing levels

	Last	Daily chg.
Equity indices		
Dow Jones	35,273.03	0.5%
S&P 500	4,556.62	0.4%
Nasdaq	14,265.86	0.5%
IPC	52,670.01	0.3%
Ibovespa	126,035.30	0.3%
Euro Stoxx 50	4,352.02	0.5%
FTSE 100	7,469.51	-0.2%
CAC 40	7,260.73	0.4%
DAX	15,957.82	0.4%
Nikkei 225	33,451.83	0.3%
Hang Seng	17,734.60	0.0%
Shanghai Composite	3,043.61	-0.8%
Sovereign bonds		
2-year Treasuries	4.90	3pb
10-year Treasuries	4.40	1pb
28-day Cetes	10.54	-21pb
28-day TIIE	11.50	0pb
2-year Mbono	10.44	6pb
10-year Mbono	9.58	5pb
Currencies		
USD/MXN	17.20	0.0%
EUR/USD	1.09	-0.2%
GBP/USD	1.25	-0.4%
DX	103.92	0.3%
Commodities		
WTI	77.10	-0.9%
Brent	81.96	-0.6%
Mexican mix	73.35	-0.8%
Gold	1,990.17	-0.4%
Copper	380.85	-1.1%

Source: Bloomberg

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