

## Weekly government auction results

- The MoF, acting through Banxico as its financial agent, has released the results of its weekly auction held today
- 28-day Cetes settled at 9.88% (-16bps) with bid-to-cover of 4.59x (previous: 2.45x)
- 91-day Cetes settled at 9.82% (-16bps) with bid-to-cover of 4.16x (previous: 2.69x)
- 182-day Cetes settled at 9.82% (-12bps) with bid-to-cover of 5.35x (previous: 4.46x)
- 364-day Cetes settled at 9.99% (-7bps) with bid-to-cover of 3.87x (previous: 2.78x)
- 10-year Mbono (Nov'34) settled at 10.33% (-10bps) with bid-to-cover of 2.42x (previous: 2.15x)
- 3-year Udibono (Dec'26) settled at 6.17% (+6bps) with bid-to-cover of 3.27x (previous: 2.97x)
- The results of the 2-, 5-, and 10-year Bondes F will be released later, considering the bids received during the primary auction

The details of today's sale are presented in the tables below:

### Mexico's auction results January 7<sup>th</sup>, 2024

Security	Days to maturity	Amount bid (MXN million)	Amount offered (MXN million)	Current rate (%)	Previous rate (%)	Diff. (bps)	Bid/Cover Ratio	
							Current	Previous
Cetes 28	28	41,327	9,000	9.88	10.04	-16	4.59x	2.45x
Cetes 91	91	41,570	10,000	9.82	9.98	-16	4.16x	2.69x
Cetes 182	182	42,806	8,000	9.82	9.94	-12	5.35x	4.46x
Cetes 364	364	63,892	16,500	9.99	10.06	-7	3.87x	2.78x
10Y Mbono Nov'34*	3,605	42,373	17,500	10.33	10.43	-10	2.42x	2.15x
3Y Udibono Dec'26**	693	UDIS 2,946	UDIS 900	6.17	6.11	6	3.27x	2.97x

Source: Banorte with data from Banco de México

1. Coupon rate 7.75%
2. Coupon rate 3.00%

### Implied real rates in Cetes

Security	07-Jan-25	17-Dec-24	09-Dec-24	03-Dec-24	26-Nov-24	19-Nov-24	12-Nov-24
Cetes 1 month	5.85	5.77	5.92	5.88	5.92	6.02	6.07
Cetes 3 months	5.79	5.81	5.78	5.86	5.97	6.07	6.30
Cetes 6 months	5.79	5.73	5.83	5.96	6.17	6.18	6.32
Cetes 12 months	5.95	5.95	5.84	6.05	6.17	6.35	6.45
Infl. 12-months ahead*	3.81	3.81	3.80	3.80	3.80	3.80	3.80

Source: Banorte with data from Banco de México

\*Published in Banxico's monthly survey (market median)



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Recent trade ideas				
Trade idea	P/L	Initial date	End date	
3y10y TIEE-IRS steepener	L	Sep-27-24	Oct-7-24	
Tactical longs in Udibono Dec'26	L	Sep-27-24	Oct-24-24	
2y10y TIEE-IRS steepener	P	Jul-11-24	Sep-17-24	
Tactical longs in Udibono Nov'35	P	Jul-5-24	Aug-2-24	
Tactical longs in Udibono Dec'26	P	Feb-16-24	Mar-8-24	
Pay 1-year TIEE-IRS (13x1)	P	Jan-12-24	Jan-19-24	
2y10y TIEE-IRS steepener	L	Oct-13-23	Feb-23-24	
Long positions in Mbono Dec'24	P	Jun-16-23	Jun-22-23	
Pay TIEE-IRS (26x1), receive 2-year SOFR	L	Aug-18-22	Oct-28-22	
Pay 2-year TIEE-IRS (26x1)	P	Feb-4-22	Mar-4-22	
Tactical longs in Mbono Mar'26	P	May-14-21	Jun-7-21	
Receive 6-month TIEE-IRS (6x1)	P	Dec-17-20	Mar-3-21	
Long positions in Udibono Nov'23	L	Feb-11-21	Feb-26-21	
Long positions in Mbono May'29 & Nov'38	P	Sep-7-20	Sep-18-20	
Long positions in Udibono Dec'25	P	Jul-23-20	Aug-10-20	
Long positions in Udibono Nov'35	P	May-22-20	Jun-12-20	
Long positions in Mbono May'29	P	May-5-20	May-22-20	
Tactical longs in 1- & 2-year TIEE-28 IRS	P	Mar-20-20	Apr-24-20	
Long positions in Udibono Nov'28	P	Jan-31-20	Feb-12-20	
Long positions in Udibono Jun'22	P	Jan-9-20	Jan-22-20	
Long positions in Mbono Nov'47	L	Oct-25-19	Nov-20-19	
Long positions in Mbonos Nov'36 & Nov'42	P	Aug-16-19	Sep-24-19	
Long positions in the short-end of Mbonos curve	P	Jul-19-19	Aug-2-19	
Long positions in Mbonos Nov'42	L	Jul-5-19	Jul-12-19	
Long positions in Mbonos Nov'36 & Nov'38	P	Jun-10-19	Jun-14-19	
Long positions in Mbonos Jun'22 & Dec'23	P	Jan-9-19	Feb-12-19	
Long floating-rate Bondes D	P	Oct-31-18	Jan-3-19	
Long CPI-linkded Udibono Jun'22	L	Aug-7-18	Oct-31-18	
Long floating-rate Bondes D	P	Apr-30-18	Aug-3-18	
Long 20- to 30-year Mbonos	P	Jun-25-18	Jul-9-18	
Short Mbonos	P	Jun-11-18	Jun-25-18	
Long CPI-linkded Udibono Jun'19	P	May-7-18	May-14-18	
Long 7- to 10-year Mbonos	L	Mar-26-18	Apr-23-18	
Long CPI-linkded Udibono Jun'19	P	Mar-20-18	Mar-26-18	
Long 5- to 10-year Mbonos	P	Mar-5-18	Mar-20-18	
Long floating-rate Bondes D	P	Jan-15-18	Mar-12-18	
Long 10-year UMS Nov'28 (USD)	L	Jan-15-18	Feb-2-18	

P = Profit, L = Loss

Track of directional fixed-income trade recommendations								
Trade idea	Entry	Target	Stop-loss	Closed	P/L	Initial date	End date	
Long Udibono Dec'20	3.05%	2.90%	3.15%	3.15%	L	9-Aug-17	6-Oct-17	
5y10y TII-E-IRS steepener	28bps	43bps	18bps	31bps	P <sup>2</sup>	15-Feb-17	15-Mar-17	
5y10y TII-E-IRS steepener	35bps	50bps	25bps	47bps	P	5-Oct-16	19-Oct-16	
Long Mbono Jun'21	5.60%	5.35%	5.80%	5.43%	P	13-Jul-16	16-Aug-16	
Long Udibono Jun'19	1.95%	1.65%	2.10%	2.10%	L	13-Jul-16	16-Aug-16	
Receive 1-year TII-E-IRS (13x1)	3.92%	3.67%	4.10%	3.87% <sup>1</sup>	P	12-Nov-15	8-Feb-16	
Long spread 10-year TII-E-IRS vs US Libor	436bps	410bps	456bps	410bps	P	30-Sep-15	23-Oct-15	
Receive 9-month TII-E-IRS (9x1)	3.85%	3.65%	4.00%	3.65%	P	3-Sep-15	18-Sep-15	
Spread TII-E 2/10 yrs (flattening)	230bps	200bps	250bps	200bps	P	26-Jun-15	29-Jul-15	
Long Mbono Dec'24	6.12%	5.89%	6.27%	5.83%	P	13-Mar-15	19-Mar-15	
Relative-value trade, long 10-year Mbono (Dec'24) / flattening of the curve					P	22-Dec-14	6-Feb-15	
Pay 3-month TII-E-IRS (3x1)	3.24%	3.32%	3.20%	3.30%	P	29-Jan-15	29-Jan-15	
Pay 9-month TII-E-IRS (9x1)	3.28%	3.38%	3.20%	3.38%	P	29-Jan-15	29-Jan-15	
Pay 5-year TII-E-IRS (65x1)	5.25%	5.39%	5.14%	5.14%	L	4-Nov-14	14-Nov-14	
Long Udibono Dec'17	0.66%	0.45%	0.82%	0.82%	L	4-Jul-14	26-Sep-14	
Relative-value trade, long Mbonos 5-to-10-year					P	5-May-14	26-Sep-14	
Receive 2-year TII-E-IRS (26x1)	3.75%	3.55%	3.90%	3.90%	L	11-Jul-14	10-Sep-14	
Receive 1-year TII-E-IRS (13x1)	4.04%	3.85%	4.20%	3.85%	P	6-Feb-14	10-Apr-14	
Long Udibono Jun'16	0.70%	0.45%	0.90%	0.90%	L	6-Jan-14	4-Feb-14	
Long Mbono Jun'16	4.47%	3.90%	4.67%	4.06%	P	7-Jun-13	21-Nov-13	
Receive 6-month TII-E-IRS (6x1)	3.83%	3.65%	4.00%	3.81%	P	10-Oct-13	25-Oct-13	
Receive 1-year TII-E-IRS (13x1)	3.85%	3.55%	4.00%	3.85%	--	10-Oct-13	25-Oct-13	
Long Udibono Dec'17	1.13%	0.95%	1.28%	1.35%	L	9-Aug-13	10-Sep-13	
Receive 9-month TII-E-IRS (9x1)	4.50%	4.32%	4.65%	4.31%	P	21-Jun-13	12-Jul-13	
Spread TII-E-Libor (10-year)	390bps	365bps	410bps	412bps	L	7-Jun-13	11-Jun-13	
Receive 1-year TII-E-IRS (13x1)	4.22%	4.00%	4.30%	4.30%	L	19-Apr-13	31-May-13	
Long Udibono Jun'22	1.40%	1.20%	1.55%	0.97%	P	15-Mar-13	3-May-13	
Receive 1-year TII-E-IRS (13x1)	4.60%	4.45%	4.70%	4.45%	P	1-Feb-13	7-Mar-13	
Long Mbono Nov'42	6.22%	5.97%	6.40%	5.89%	P	1-Feb-13	7-Mar-13	
Long Udibono Dec'13	1.21%	0.80%	1.40%	1.40%	L	1-Feb-13	15-Apr-13	
Receive 1-year TII-E-IRS (13x1)	4.87%	4.70%	5.00%	4.69%	P	11-Jan-13	24-Jan-13	
Receive TII-E Pay Mbono (10-year)	46bps	35bps	54bps	54bps	L	19-Oct-12	8-Mar-13	
Spread TII-E-Libor (10-year)	410bps	385bps	430bps	342bps	P	21-Sep-13	8-Mar-13	
Long Udibono Dec'12	+0.97%	-1.50%	+1.20%	-6.50%	P	1-May-12	27-Nov-12	
Long Udibono Dec'13	+1.06%	0.90%	+1.35%	0.90%	P	1-May-12	14-Dec-12	

1. Carry + roll-down gains of 17bps

2. Closed below target and before the proposed horizon date due to changes in market conditions that have differed from our expectations.

P = Profit, L = Loss

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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, Ana Laura Zaragoza Félix, 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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