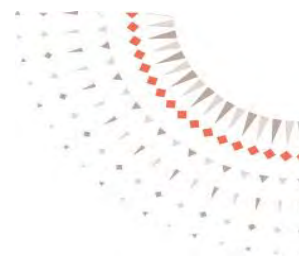


Financial Markets Daily



April 15, 2021

Main drivers for the financial markets today...

- **Positive stock markets, while the dollar and government bond yields are down, derived from solid corporate results and the expectation of a strong economic recovery, combined with optimism about monetary and fiscal stimulus and awaiting the release of key economic data, along with vaccination advances**
- **In the US the attention is on the release of economic figures. The March retail sales and industrial production reports will be published. We estimate a strong rebound after the weakness observed in February affected by snowfalls in several states of the country. Also, the regional manufacturing indicators for April will be released: Philly Fed and Empire Manufacturing and jobless claims for the week ending April 10**
- **On the other hand, there will be several interventions by Fed members, highlighting the comments of Bostic, Daly, Clarida and Mester**
- **In China, 1Q21 GDP report will be published. It is expected to post a solid advance of 18.5% y/y, benefited by the effect of the weakness of the economic activity in 1Q20 affected by the pandemic. Likewise, the investment, retail sales and industrial production figures for March will be published**

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The most relevant economic data...

	Event/Period	Unit	Banorte	Survey	Previous
Germany					
2:00	Consumer prices - Mar (F)	% y/y	--	2.0	2.0
United States					
8:30	Initial jobless claims* - Apr 10	thousands	--	700	744
8:30	Advance retail sales* - Mar	% m/m	6.0	5.5	-3.0
8:30	Ex autos & gas* - Mar	% m/m	--	4.8	-2.7
8:30	Control Group* - Mar	% m/m	7.2	6.5	-3.3
8:30	Empire manufacturing* - Apr	index	15.0	18.8	17.4
8:30	Philadelphia Fed* - Apr	index	39.0	40.0	51.8
9:15	Industrial production* - Mar	% m/m	2.3	2.5	-2.2
9:15	Manufacturing production* - Mar	% m/m	3.5	4.0	-3.1
11:30	Fed's Bostic to Discuss Economic Inequality				
14:00	Fed's Daly Speaks on Financial Stability and Monetary Policy				
15:45	Fed's Clarida Speaks to Shadow Open Market Committee				
16:00	Fed's Mester Discusses Economic Inclusion				
China					
21:00	Gross domestic product - 1Q21	% y/y	--	18.6	6.5
21:00	Industrial production - Mar	% y/y	--	18.0	--
21:00	Retail sales - Mar	% y/y	--	28.0	--
21:00	Gross fixed investment (YTD) - Mar	% y/y	--	27.0	35.0

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

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A glimpse to the main financial assets

	Last	Daily chg.
<i>Equity indices</i>		
S&P 500 Futures	3,912.62	0.0%
Euro Stoxx 50	3,984.86	0.2%
Nikkei 225	29,642.69	0.1%
Shanghai Composite	3,398.99	-0.5%
<i>Currencies</i>		
USD/MXN	20.01	-0.3%
EUR/USD	1.20	-0.1%
DXY	91.68	0.0%
<i>Commodities</i>		
WTI	62.98	-0.3%
Brent	66.49	-0.1%
Gold	1,745.51	0.5%
Copper	416.95	1.0%
<i>Sovereign bonds</i>		
10-year Treasury	1.61	-2pb

Source: Bloomberg

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Equities

- **Positive movements in stock markets as strong earnings reports boost optimism among investors, while keeping an eye on the release of economic data and the development of the vaccination process**
- **In this regard, US futures anticipate a bullish opening, the S&P500 is trading +0.4%, with Bank of America rising more than 2.0% in the pre-market. Markets in Europe operate positive, with the EuroStoxx climbing 0.2%, mainly due to shares in the Energy and Mining sector. Asia, meanwhile, ended the session mixed, with the Hang Seng down 0.4%, versus a 0.1% increase in the Nikkei**
- **Today 12 S&P500 companies are expected to release their results, with Bank of America, BlackRock and US Bancorp having already reported better than expected, while Citigroup will report later in the day**

Sovereign fixed income, currencies and commodities

- **Widespread gains in sovereign bonds. European assets adjusted up to -3bps, while US Treasuries traded with gains of 2bps concentrated in long duration nodes. Yesterday, the Mbonos yield curve closed with a 5bps relief on average, with the 10-year benchmark at 6.62% (-5bps)**
- **Dollar trades with few changes as G10 currencies recorded limited fluctuations, NZD leads gains (+0.2%). In EM the performance is mixed, RUB leads losses (-1.2%) affected by US sanctions while MXN appreciates 0.4% to 20.00 per dollar**
- **Crude oil prices with slight declines (-0.2%), consolidating after yesterday's strong rally being a reaction to signs of recovery in demand. In metals, gold gains 0.6% to 1,746 \$/oz t and the bias in industrials is positive**

Corporate Debt

- **Notice of partial early redemption of Dalton Efectivo Seguro's ABS, DESCB 18, on April 21 for an amount of MXN 39.15 million**
- **Grupo DASI reported the payment of a premium to the ITTO 17's bondholders on April 22. The premium was calculated considering an adjustment rate of 50bp over the Face Value, as of the date the ratings were lowered (November 6), resulting in a total of MXN 58,333.33**
- **Fitch Ratings and S&P Global Ratings assigned a 'AAA' local scale rating to the unsecured notes to be auctioned by Ferrocarril Mexicano, FERROMX 21 / 21-2 for a total amount of MXN 5.0 billion**

Previous closing levels

	Last	Daily chg.
<i>Equity indices</i>		
Dow Jones	33,730.89	0.2%
S&P 500	4,124.66	-0.4%
Nasdaq	13,857.84	-1.0%
IPC	48,329.84	1.7%
Ibovespa	120,294.70	0.8%
Euro Stoxx 50	3,976.28	0.2%
FTSE 100	6,939.58	0.7%
CAC 40	6,208.58	0.4%
DAX	15,209.15	-0.2%
Nikkei 225	29,620.99	-0.4%
Hang Seng	28,900.83	1.4%
Shanghai Composite	3,416.72	0.6%
<i>Sovereign bonds</i>		
2-year Treasuries	0.16	0pb
10-year Treasuries	1.63	2pb
28-day Cetes	4.06	-1pb
28-day TIIE	4.29	0pb
2-year Mbono	4.84	-3pb
10-year Mbono	6.65	-5pb
<i>Currencies</i>		
USD/MXN	20.07	-0.1%
EUR/USD	1.20	0.3%
GBP/USD	1.38	0.2%
DX	91.69	-0.2%
<i>Commodities</i>		
WTI	63.15	4.9%
Brent	66.58	4.6%
Mexican mix	60.63	4.7%
Gold	1,736.43	-0.5%
Copper	412.85	2.4%

Source: Bloomberg

Certification of Analysts.

We, Gabriel Casillas Olvera, Alejandro Padilla Santana, Delia Maria Paredes Mier, Juan Carlos Alderete Macal, Manuel Jiménez Zaldivar, Marissa Garza Ostos, Francisco José Flores Serrano, Katia Celina Goya Ostos, Santiago Leal Singer, José Itzamna Espitia Hernández, Valentín III Mendoza Balderas, Víctor Hugo Cortes Castro, Hugo Armando Gómez Solís, Miguel Alejandro Calvo Domínguez, Luis Leopoldo López Salinas, Leslie Thalia Orozco Vélez, Gerardo Daniel Valle Trujillo, Eridani Ruibal Ortega, and Juan Barbier Arizmendi 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
BUY	<i>When the share expected performance is greater than the MEXBOL estimated performance.</i>
HOLD	<i>When the share expected performance is similar to the MEXBOL estimated performance.</i>
SELL	<i>When the share expected performance is lower than the MEXBOL estimated performance.</i>

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