

Ahead of the Curve

This week we have no relevant economic releases

Weekly international reserves report. Last week, net international reserves increased US\$584 million, closing at US\$180.8 billion. According to Banxico's report, this comes mainly from a positive valuation effect in central bank assets. In this context, the central bank's international reserves have increased US\$6.0 billion during 2019 (please refer to the following table).

Banxico's foreign reserve accumulation detail
US\$, million

	2018	Oct 4, 2019	Oct 4, 2019	Year-to-date
	Balance		Flows	
International reserves (B)-(C)	174,793	180,796	584	6,004
(B) Gross international reserve	176,384	183,634	760	7,250
Pemex	--	--	-27	116
Federal government	--	--	217	1,247
Market operations	--	--	0	0
Other	--	--	571	5,887
(C) Short-term government's liabilities	1,592	2,838	176	1,246

Source: Banco de México

Weekly government bond auction. The Ministry of Finance (MoF) –via Banco de Mexico as its financial agent, will offer 3-year fixed-rate Mbonos (Mar'23), 3-year Udibonos (Jun'22), in addition to the 1-, 3-, and 6-month zero-coupon Cetes (see following table). As usual, results will be released at 12:30pm (ET).

Auction specifics (Tuesday, October 15th, 2019)

	Maturity	Coupon rate, %	To be auctioned ¹	Previous yield ²
Cetes				
1m	14-Nov-19	--	6,000	7.70
3m	16-Jan-20	--	10,500	7.59
6m	08-Apr-20	--	14,500	7.47
M Bono				
3y	09-Mar-23	6.75	10,500	7.01
Udibono				
3y	09-Jun-22	2.00	UDIS 875	3.63

Source: Banorte with data from Banco de México 1. Except for Udibonos, which are expressed in UDI million, everything else is expressed in MXN million. 2. Yield-to-maturity reported for Cetes, Mbonos and Udibonos

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Document for distribution among the general public

Mexico weekly calendar

DATE	HOOR (ET)	EVENT	PERIOD	UNIT	BANORTE	CONSENSUS	PREVIOUS
Tue 15-Oct	10:00am	International reserves	Oct-11	US\$ bn	--	--	180.8
Tue 15-Oct	12:30pm	Government weekly auction: 1-, 3-, 6-month CETES; 3y Mbono (Mar'23); 3y Udibonos (Jun'22)					

Source: Banorte; Bloomberg

Disclaimer

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We, Gabriel Casillas Olvera, Delia Maria Paredes Mier, Alejandro Padilla Santana, Manuel Jiménez Zaldívar, Tania Abdul Massih Jacobo, Katia Celina Goya Ostos, Juan Carlos Alderete Macal, Víctor Hugo Cortes Castro, Marissa Garza Ostos, Miguel Alejandro Calvo Domínguez, Hugo Armando Gómez Solís, Gerardo Daniel Valle Trujillo, José Itzamna Espitia Hernández, Valentín III Mendoza Balderas, Santiago Leal Singer, Francisco José Flores Serrano, Luis Leopoldo López Salinas, Jorge Antonio Izquierdo Lobato and Leslie Thalía Orozco Vélez, 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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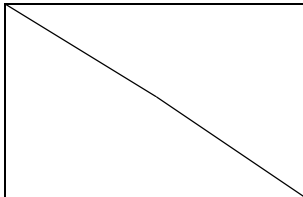
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	Reference
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