Banxico QR – Higher forecasts despite prevailing uncertainty

November 25, 2020

www.banorte.com
@analisis_fundam

Gabriel Casillas
Chief Economist and Head of Research
gabriel.casillas@banorte.com

Alejandro Padilla
Executive Director of Economic Research and Financial Markets Strategy
alejandro.padilla@banorte.com

Juan Carlos Alderete, CFA
Director of Economic Research
juan.alderete.macal@banorte.com

Francisco Flores
Senior Economist, Mexico
francisco.flores.serrano@banorte.com

- **Banxico published today its 3Q20 *Quarterly Report* (QR). The release was accompanied by a press conference by Governor Alejandro Díaz de León**
- **Overall, we believe the document confirmed the neutral stance we saw in the statement, consistent with the pause the monetary authority wants to take in its easing cycle**
- **On inflation, the central bank delivered on expectations and revised its forecast upwards for most of the trajectory, taking the explicit convergence towards the 3% out of the forecast horizon**
- **Moreover, the balance of risks for inflation remains uncertain, although with changes in specific factors, highlighting:**
  (1) The increase to five from three in the number of drivers in the statement;
  (2) More changes in those to the downside, emphasizing the effects on prices from *El Buen Fin* (Mexico's Black Friday); and
  (3) Concerns about rising energy prices, which could materialize in case of a more vigorous economic rebound
- **On growth, Banxico eliminated its scenarios, favoring again a central forecast. This represented a relevant revision for 2020, to -8.9% y/y from a simple average of -11.0% previously. For 2021, the adjustment was more modest, at 3.3% from 3.2%**
- **The traditional *grey boxes* expanded on the effects of the pandemic –especially on prices–, policy actions and recent market dynamics**
- **Banxico also published the calendar for its policy decisions in 2021, again broadly aligned to the Fed**
- **Despite valuable data in the document, especially on inflation, we await more information from the minutes tomorrow to evaluate the moment and magnitude of cuts once the easing cycle resumes**

The *Quarterly Report* maintains a neutral tone, as in the last statement. Banxico published today its *Quarterly Report* (QR) for 3Q20. The release was accompanied by a press conference led by Governor Alejandro Díaz de León. In line with hints by the institution, the inflation forecast was revised mostly to the upside, without clarity about the convergence of the headline to the 3% target in the forecast horizon. Meanwhile, growth was consolidated into one scenario, with an important upward revision for 2020 and more modest into 2021, on top of introducing the estimate for 2022. Overall, the document confirmed the importance of the central bank's 'data-dependency', especially because of prevailing uncertainty on inflation forecasts due to the pandemic, even with hopes of a vaccine and a better-than-expected rebound in economic activity.

Banxico's 2020 policy decisions

Date	Decision
February 13	-25bps
March 20 (intra-meeting)	-50bps
April 21 (intra-meeting)	-50bps
May 14	-50bps
June 25	-50bps
August 13	-50bps
September 24	-25pb
November 12	0pb
December 17	--

Source: Banxico

Winners of the award for best economic forecasters for Mexico in 2019, given by *Refinitiv*

STARMINE AWARDS FOR REUTERS POLLS FROM REFINITIV

Revisions to inflation reflect central bank concerns. As anticipated in the last statement, the monetary authority revised its inflation forecasts mostly to the upside. Nevertheless, considering recent developments, the estimate for 4Q20 was cut 10bps, from 3.7% to 3.6% on average. During the press conference, Governor Díaz de León mentioned that discounts in *El Buen Fin* (Mexico's Black Friday) drove a large part of the decline in prices in the first half of November (which surprised the market and us strongly to the downside). In our view, it is very important that the Governor said this factor was considered transitory within their forecast path, suggesting a reversal higher relatively soon. Despite this assumption, he also warned that they will have to check if discounts are extended or not. In this sense, this downside risk was important enough to be added to the balance of risks, over which we expand further below.

Headline inflation does not reach exactly 3% in the forecast horizon… In the upward revisions, we saw adjustments between 10 to 40bps in four out of the five quarters starting in 2Q21. We were relatively concerned about the adjustments in 4Q21 and 1Q22 (see table below). Although these respond in part to a more challenging base effect, it is not the only factor. Among them, Banxico expects a larger upside from rising energy prices and a greater persistence of core prices (given a marginally lesser degree of slack). Hence, there is no convergence to 3% in headline inflation during the forecast horizon (at least in these numbers). Regarding this, the Governor highlighted that adding the 'pause' in the statement will allow for a thorough evaluation of available and incoming data to corroborate if the path converges towards the target.

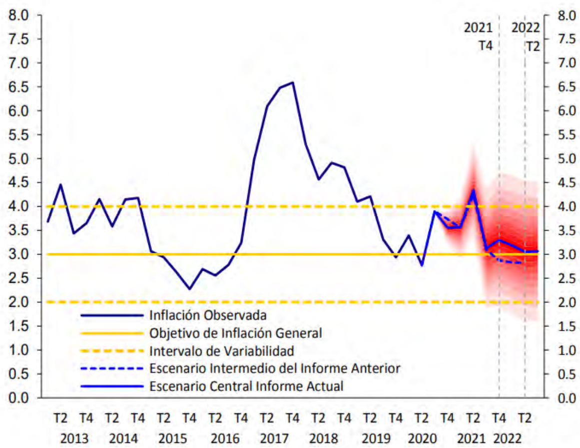
...while the core would reach that level in 3Q21. The forecasted path for the core was also revised higher, with five out of six quarters starting in 1Q21 adjusted between 10-30bps. Despite of the latter, the 3% level would be reached in the third quarter of next year, matching the last *Quarterly Report*. Here, the monetary authority details that the transitory nature of *El Buen Fin* would fade away despite its positive impact. Meanwhile, reduced slack relative to previous estimates would also push the index higher. We believe the trajectory of this component gained even greater relevance after it was included with more weight in the statement, with the explicit mention of when it will converge to the target.

CPI forecasts
% y/y, quarterly average

	2020		2021				2022		
	III	IV	I	II	III	IV	I	II	III
CPI									
Current	3.9*	3.6	3.6	4.3	3.1	3.3	3.2	3.1	3.1
Previous	3.9	3.7	3.6	4.2	3.1	2.9	2.8	2.8	--
Difference (bps)	--	-10	0	10	0	40	40	30	--
Core									
Current	3.9*	3.8	3.9	3.6	3.0	3.1	2.9	2.9	2.9
Previous	3.9	3.8	3.8	3.5	3.0	2.8	2.7	2.7	--
Difference (bps)	--	0	10	10	0	30	20	20	--

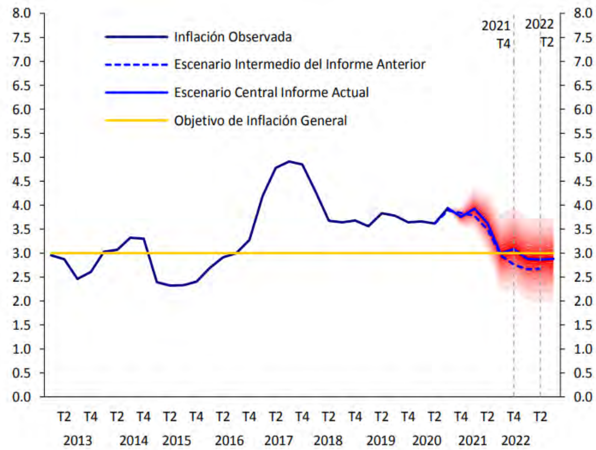
Source: Banco de México, 3Q20 QR; *Observed data

Fan chart: Headline inflation*
% y/y



Source: Extracted directly from Banxico's 3Q20 Quarterly Report, only available in Spanish

Fan chart: Core inflation*
% y/y



Source: Extracted directly from Banxico's 3Q20 Quarterly Report, only available in Spanish

Relevant revisions on inflation risks. The balance of risks remains characterized as uncertain (see section of *grey boxes* for additional details). Nevertheless, they updated the risk section, with relevant changes when compared to the statement. Specifically, the list was expanded from 3 to 5 both to the upside and downside. Risks to the downside saw more changes, highlighting: (1) Weakness in demand, with the possibility that discounts on *El Buen Fin* are more persistent; 82) the addition of the appreciation of the exchange rate as a driver; (3) the possibility of lower than anticipated energy prices; and (4) that wage revisions do not pressure prices given the degree of slack. In our opinion, the latter is very relevant, given accumulated minimum wage increases from previous years and the upcoming announcement for 2021, which we expect soon. Risks to the upside were more stable, with changes only in: (1) Distortions on relative prices due to changes in demand conditions; and (2) higher energy prices. We also highlight the persistence of core inflation to the upside as the main risk factor now.

In line with our expectations, the forecast for economic activity improved. Unlike the previous two reports, Banxico presented only a central estimate for GDP, not three scenarios. They now expect an 8.9% y/y contraction in 2020 (previous simple average: -11.0%), followed by a 3.3% expansion in 2021 (previous: 3.2%) and +2.6% in 2022. This assumes a gradual recovery, with caution by consumers and investors because of the pandemic. Moreover, they foresee challenges for aggregate demand, especially domestic. It should be noted that the resulting forecast for this year is very similar to what used to be the 'V-shaped' scenario, with a difference of only 10bps, taking into account that 3Q20 GDP was slightly higher than expected. In addition, it is slightly more optimistic relative to market expectations at -9.3% –according to the latest Banxico survey– but closer to our -9.0%.

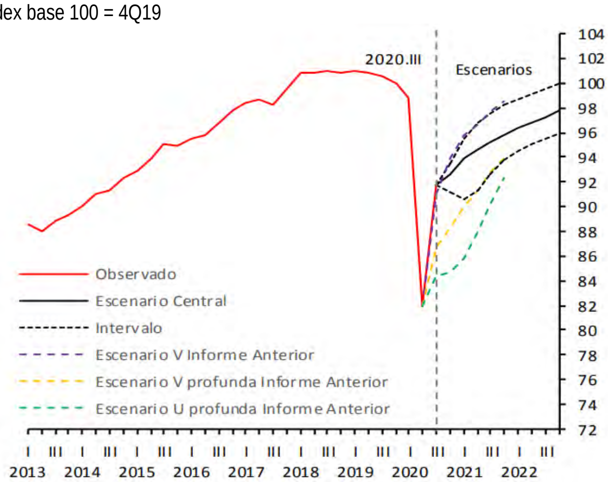
Uncertainty over growth remains elevated. As a result, the monetary authority kept its options open, setting both an upper and lower bound, with a range for the three years. With this, the range for 2020 comes in from -9.3% to -8.7%; 2021 from 0.6% to 5.3%; and 2022 from 2.6% to 3.8%. We should mention that the interval for 2021 is much wider than in previous instances –as it used to be only of 1%-pt–. For 2022 it is more uncertain given that it is impacted by the base effect from the previous year (and with Banxico assuming inertial growth by that year). In detail, assumptions for the limits are:

(1) *Lower bound*: Assumes a limited fiscal response in several countries, a worsening of the pandemic and new lockdowns between late 2020 and early 2021. Afterwards, they anticipate a moderate recovery in the latter part of this last year, with activity converging towards potential in 2022.

(2) *Upper bound*: The recovery is faster, with a stronger reactivation of several economic sectors that have stayed weak. It also incorporates additional stimulus from external demand, driving activity in 2020 and 2021, while moderating the pace of the expansion towards potential in 2022.

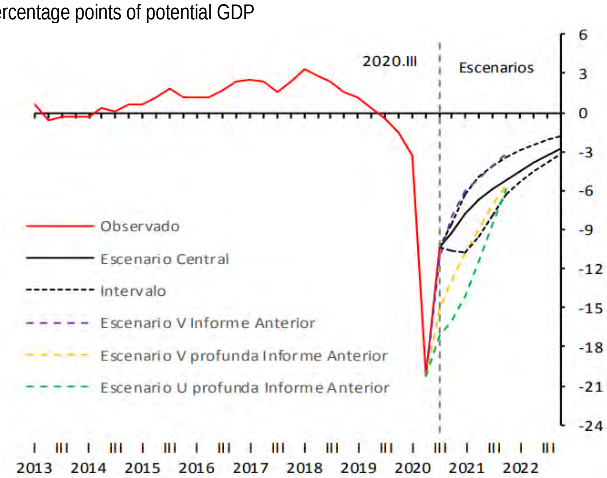
The central bank did not mention when they expect the vaccine against COVID-19 to be available. In our opinion, this is key to forecast the pace of the recovery. In this sense, our estimate for 2021, at 4.1%, is more optimistic than the institution's mid-point, in large part because we believe the vaccine will be ready towards the end of 2Q21 and early 3Q21. Therefore, this would provide for an acceleration in the pace of growth in the second half of next year. Considering this, the central bank maintains that the balance of risks is skewed to the downside, quoting several factors related to the pandemic (*e.g.* the possibility of new lockdowns, financial market volatility, important aftershocks to activity), along others of a more idiosyncratic nature (*e.g.* reductions to the credit rating and domestic uncertainty).

GDP forecasts
Index base 100 = 4Q19



Source: Extracted directly from Banxico's 3Q20 Quarterly Report, only available in Spanish

Output gap
Percentage points of potential GDP



Source: Extracted directly from Banxico's 3Q20 Quarterly Report, only available in Spanish

Less slack after the rebound in 3Q20, but without relevant pressures going forward. After the widening of the output gap to -20.3% in 2Q20, the recovery in the following quarter took it to -10.4%. Despite of this, it would not reach close to zero even at the upper bound, always remaining negative (see chart above, right). Therefore, demand-side pressures should not be a source of inflation, at least in the central bank's forecast horizon.

Relevant updates in other estimates. Forecasts for employment at IMSS, trade balance and current account were also updated. In the first, the backdrop is more favorable, with a point estimate of 775 thousand jobs lost this year (previous: -925k). This is consistent with recent dynamics and upward revisions to GDP. For 2021 they expect a creation of 325 thousand jobs. On the other hand, they see a higher trade balance surplus, with the point estimate at US$28.7 billion, reflecting more external demand strength relative to the domestic component. Next year the surplus would remain, albeit more moderate, at US$5.1 billion.

Banxico's Forecasts
Current Report (3Q20)

	2020	2021	2021
GDP (% y/y)			
Central scenario	-8.9	3.3	2.6
Range	-9.3 to -8.7	0.6 to 5.3	2.6 to 3.8
Employment (thousands)	-850 to -700	150 to 500	300 to 500
Trade Balance (bn)	27.1 to 30.3 (2.6% to 2.9% of GDP)	1.0 to 9.2 (0.1% to 0.8% of GDP)	-5.0 to 0.0 (-0.4% to 0.0% of GDP)
Current account (bn)	20.3 to 24.3 (1.9% to 2.3% of GDP)	-9.4 to 1.9 (-0.8% to 0.2% of GDP)	-12.5 to -4.4 (-1.0% to -0.4% of GDP)

Source: Banxico

Banxico's Forecasts
Previous Quarterly Report (2Q20)

	2020	2021
GDP (% y/y)		
V-shaped	-8.8	5.6
Deep V-shaped	-11.3	2.8
Deep U-shaped	-12.8	1.3
Employment (thousands)	-1,100 to –750	100 to 450
Trade Balance (bn)	3.3 to 8.8 (0.3% to 0.9% of GDP)	-5.7 to 4.2 (-0.5% to 0.4% of GDP)
Current account (bn)	-6.0 to 5.0 (-0.6% to 0.5% of GDP)	-18.1 to -2.3 (-1.5% to -0.2% of GDP)

Source: Banxico

The traditional *grey boxes* were focused again on the pandemic. The central bank included a series of very insightful research, most of them on the consequences, policy responses and evolution of financial markets after the impact of COVID-19, particularly in emerging markets. Among them: (1) The new monetary policy strategy of the Federal Reserve; (2) Balance sheet use and liquidity facilities in central banks of emerging market economies; (3) Fiscal responses to COVID-19; (4) Recent dynamics in jobs affiliated to IMSS; (5) Effects of the pandemic on the components of core inflation; (6) The impact of COVID-19 on price dynamics in the US and Mexico; (7) The evolution of the yield curve in emerging economies; and (8) The evolution of sovereign risk in emerging economies. Given the relative importance of the inflation path for upcoming monetary policy decisions and Banxico's pause, we focus on notes (5) and (6).

The pandemic has induced unusual adjustments in core inflation dynamics, which could remain that way. In the former, they analyze price dynamics in goods (mostly higher) and services (to the downside) within core inflation, with several categories deviating from its average behavior during the last 10 years. Therefore, they apply econometric methods to estimate the impact that several price drivers have had on these components. These models show the prevalence of shocks beyond those that would result from the behavior of these common drivers, including the exchange rate (for goods) and the degree of economic slack (mostly on services). Results indicate that there is evidence of an additional and unusual effect on prices, potentially due to the pandemic, which have been high, in diverse directions and magnitude. On a more positive note, they argue that effects that could have resulted from the pandemic are lessening gradually. Nevertheless, uncertainty about the inflation path persists as the pandemic is still present. In our view, this helps justify the central bank's view that the balance of risks for inflation remains uncertain.

In Mexico, supply-side shocks to the upside for inflation have been more persistent than in the US. In the second note, the bank tries to identify the contribution of demand- and supply-side factors to inflation dynamics in Mexico and the US at the sector level. This breakdown is relevant because: (1) It allows to estimate the differentiated effect that the pandemic had on prices of different sectors; and (2) provides the opportunity to estimate the persistence that these factors had on price dynamics. The analysis shows differences between countries, particularly in their persistency and despite similar responses among sectors. In the US, lower inflation at the start of the pandemic reflected that negative demand-side shocks –resulting in price declines– were stronger than positive supply-side shocks. In Mexico, similar dynamics were observed at the beginning of the pandemic. Nevertheless, starting in June, demand-side factors in the US started to have a positive contribution to inflation. On the other hand, those of the supply-side also had a positive contribution, although its magnitude has been declining. In contrast, in Mexico, those from demand kept subtracting to inflation until August, although by a lower magnitude relative to the period with the highest economic impact from COVID-19. This is consistent with the limited impulse from fiscal stimulus to aggregate demand in our country. On the other hand, upside inflation pressures driven by supply-side effects began to be more noticeable since May. Specifically, their positive contribution has been more persistent since June (when the reopening started) and August. This is related to: (1) Higher restrictions and requirements to operate in several sectors; and (2) the adjustment of the exchange rate and its effect on the cost of raw materials. Broadly speaking, these findings are very important as they are consistent with the central bank's prudent stance. Especially, because upside pressures to inflation induced by the pandemic have not been fully diluted yet (in turn driven by the supply-side).

Banxico policy decisions in 2021 will remain aligned with the Fed. Similar to recent years, Banco de Mexico's monetary policy meetings will take place with a lag no greater than two weeks from the Fed, as shown in the table below.

Monetary policy meetings

Month	Federal Reserve	Banxico
January	27	--
February	--	11
March	17	25
April	28	--
May	--	13
June	16	24
July	28	--
August	--	12
September	22	30
October	--	--
November	3	11
December	15	16

Source: Banxico, Federal Reserve

The central bank will wait more information for its upcoming decisions. In our view, Banxico's bias is neutral, with Governor Díaz de León highlighting again the pause in the easing cycle, albeit without hinting at possible hikes. In line with our expectations, the most important comments and adjustments were on the expected inflation path. We believe the monetary authority is reinforcing the need of more information and their data dependency. In the short term, we note: (1) The need to see more inflation prints after the decline in prices because of *El Buen Fin,* particularly in other goods. In this respect, we highlight that the reversal of discounts has typically taken place in the 1st half of December, ahead of holiday season sales. This print will be published on December 23rd, after the decision on the 17th; and (2) the minimum wage hike, with the announcement expected at the beginning of next month (likely before the policy meeting). On the other hand, it will also be very important to analyze tomorrow's minutes, as both the market and us were surprised by the decision. First, we will watch the identity of the dissenter and his/her reasons. In addition, the debate under the 'monetary policy' section will be very relevant to reassess the relative skew of each participant. We will match the arguments from the dissenter to one member and work our way to identify those made by the rest of the Board. In this backdrop, we still believe the reference rate will close 2020 at 4.25% and that cuts will restart in 2021, although still with uncertainty in both the magnitude and timing. Lastly, we do not miss out the need for another definition, which is the replacement of Deputy Governor Javier Guzmán, with a mostly hawkish bias and his term ending in December.

Analyst Certification

We, Gabriel Casillas Olvera, Alejandro Padilla Santana, Delia María Paredes Mier, Juan Carlos Alderete Macal, Manuel Jiménez Zaldívar, Marissa Garza Ostos, Tania Abdul Massih Jacobo, 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 Thalía 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.

Relevant statements.

In accordance with current laws and internal procedures manuals, analysts are allowed to hold long or short positions in shares or securities issued by companies that are listed on the Mexican Stock Exchange and may be the subject of this report; nonetheless, equity analysts have to adhere to certain rules that regulate their participation in the market in order to prevent, among other things, the use of private information for their benefit and to avoid conflicts of interest. Analysts shall refrain from investing and holding transactions with securities or derivative instruments directly or through an intermediary person, with Securities subject to research reports, from 30 calendar days prior to the issuance date of the report in question, and up to 10 calendar days after its distribution date.

Compensation of Analysts.

Analysts' compensation is based on activities and services that are aimed at benefiting the investment clients of Casa de Bolsa Banorte and its subsidiaries. Such compensation is determined based on the general profitability of the Brokerage House and the Financial Group and on the individual performance of each analyst. However, investors should note that analysts do not receive direct payment or compensation for any specific transaction in investment banking or in other business areas.

Last-twelve-month activities of the business areas.

Grupo Financiero Banorte S.A.B. de C.V., *through its business areas, provides services that include, among others, those corresponding to investment banking and corporate banking, to a large number of companies in Mexico and abroad. It may have provided, is providing or, in the future, will provide a service such as those mentioned to the companies or firms that are the subject of this report. Casa de Bolsa Banorte or its affiliates receive compensation from such corporations in consideration of the aforementioned services.*

Over the course of the last twelve months, Grupo Financiero Banorte S.A.B. C.V., has not obtained compensation for services rendered by the investment bank or by any of its other business areas of the following companies or their subsidiaries, some of which could be analyzed within this report.

Activities of the business areas during the next three months.

Casa de Bolsa Banorte, Grupo Financiero Banorte or its subsidiaries expect to receive or intend to obtain revenue from the services provided by investment banking or any other of its business areas, by issuers or their subsidiaries, some of which could be analyzed in this report.

Securities holdings and other disclosures.

As of the end of last quarter, Grupo Financiero Banorte S.A.B. of C.V. has not held investments, directly or indirectly, in securities or derivative financial instruments, whose underlying securities are the subject of recommendations, representing 1% or more of its investment portfolio of outstanding securities or 1 % of the issuance or underlying of the securities issued.

None of the members of the Board of Grupo Financiero Banorte and Casa de Bolsa Banorte, along general managers and executives of an immediately below level, have any charges in the issuers that may be analyzed in this document.

The Analysts of Grupo Financiero Banorte S.A.B. of C.V. do not maintain direct investments or through an intermediary person, in the securities or derivative instruments object of this analysis report.

Guide for investment recommendations.

	Reference
BUY	When the share expected performance is greater than the MEXBOL estimated performance.
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.

Even though this document offers a general criterion of investment, we urge readers to seek advice from their own Consultants or Financial Advisors, in order to consider whether any of the values mentioned in this report are in line with their investment goals, risk and financial position.

Determination of Target Prices

For the calculation of estimated target prices for securities, analysts use a combination of methodologies generally accepted among financial analysts, including, but not limited to, multiples analysis, discounted cash flows, sum-of-the-parts or any other method that could be applicable in each specific case according to the current regulation. No guarantee can be given that the target prices calculated for the securities will be achieved by the analysts of Grupo Financiero Banorte S.A.B. C.V, since this depends on a large number of various endogenous and exogenous factors that affect the performance of the issuing company, the environment in which it performs, along with the influence of trends of the stock market, in which it is listed. Moreover, the investor must consider that the price of the securities or instruments can fluctuate against their interest and cause the partial and even total loss of the invested capital.

The information contained hereby has been obtained from sources that we consider to be reliable, but we make no representation as to its accuracy or completeness. The information, estimations and recommendations included in this document are valid as of the issue date, but are subject to modifications and changes without prior notice; Grupo Financiero Banorte S.A.B. of C.V. does not commit to communicate the changes and also to keep the content of this document updated. Grupo Financiero Banorte S.A.B. of C.V. takes no responsibility for any loss arising from the use of this report or its content. This document may not be photocopied, quoted, disclosed, used, or reproduced in whole or in part without prior written authorization from Grupo Financiero Banorte S.A.B. of C.V.

BANORTE

GRUPO FINANCIERO BANORTE S.A.B. de C.V.

Research and Strategy

Gabriel Casillas Olvera	IRO and Chief Economist	gabriel.casillas@banorte.com	(55) 4433 - 4695
Raquel Vázquez Godinez	Assistant	raquel.vazquez@banorte.com	(55) 1670 - 2967
Lourdes Calvo Fernández	Analyst (Edition)	lourdes.calvo@banorte.com	(55) 1103 - 4000 x 2611

Economic Research and Financial Market Strategy

Alejandro Padilla Santana	Executive Director of Economic Research and Financial Markets Strategy	alejandro.padilla@banorte.com	(55) 1103 - 4043
Itzel Martínez Rojas	Analyst	itzel.martinez.rojas@banorte.com	(55) 1670 - 2251

Economic Research

Juan Carlos Alderete Macal, CFA	Director of Economic Research	juan.alderete.macal@banorte.com	(55) 1103 - 4046
Francisco José Flores Serrano	Senior Economist, Mexico	francisco.flores.serrano@banorte.com	(55) 1670 - 2957
Katia Celina Goya Ostos	Senior Economist, Global	katia.goya@banorte.com	(55) 1670 - 1821
Luis Leopoldo López Salinas	Economist, Global	luis.lopez.salinas@banorte.com	(55) 1103 - 4000 x 2707

Market Strategy

Manuel Jiménez Zaldívar	Director of Market Strategy	manuel.jimenez@banorte.com	(55) 5268 - 1671

Fixed income and FX Strategy

Santiago Leal Singer	Senior Strategist, Fixed Income and FX	santiago.leal@banorte.com	(55) 1670 - 2144
Leslie Thalía Orozco Vélez	Strategist, Fixed Income and FX	leslie.orozco.velez@banorte.com	(55) 5268 - 1698

Equity Strategy

Marissa Garza Ostos	Director of Equity Strategy	marissa.garza@banorte.com	(55) 1670 - 1719
José Itzamna Espitia Hernández	Senior Strategist, Equity	jose.espitia@banorte.com	(55) 1670 - 2249
Valentín III Mendoza Balderas	Senior Strategist, Equity	valentin.mendoza@banorte.com	(55) 1670 - 2250
Víctor Hugo Cortes Castro	Senior Strategist, Technical	victorh.cortes@banorte.com	(55) 1670 - 1800
Eridani Ruibal Ortega	Analyst	eridani.ruibal.ortega@banorte.com	(55) 1103 - 4000 x 2755
Juan Barbier Arizmendi, CFA	Analyst	juan.barbier@banorte.com	(55) 1670 - 1746

Corporate Debt

Tania Abdul Massih Jacobo	Director of Corporate Debt	tania.abdul@banorte.com	(55) 5268 - 1672
Hugo Armando Gómez Solís	Senior Analyst, Corporate Debt	hugoa.gomez@banorte.com	(55) 1670 - 2247
Gerardo Daniel Valle Trujillo	Analyst, Corporate Debt	gerardo.valle.trujillo@banorte.com	(55) 1670 - 2248

Economic Studies

Delia María Paredes Mier	Executive Director of Economic Studies	delia.paredes@banorte.com	(55) 5268 - 1694
Miguel Alejandro Calvo Domínguez	Senior Analyst, Economic Studies	miguel.calvo@banorte.com	(55) 1670 - 2220

Wholesale Banking

Armando Rodal Espinosa	Head of Wholesale Banking	armando.rodal@banorte.com	(81) 8319 - 6895
Alejandro Aguilar Ceballos	Head of Asset Management	alejandro.aguilar.ceballos@banorte.com	(55) 5268 - 9996
Alejandro Eric Faesi Puente	Head of Global Markets and Institutional Sales	alejandro.faesi@banorte.com	(55) 5268 - 1640
Alejandro Frigolet Vázquez Vela	Head of Sólida Banorte	alejandro.frigolet.vazquezvela@banorte.com	(55) 5268 - 1656
Arturo Monroy Ballesteros	Head of Investment Banking and Structured Finance	arturo.monroy.ballesteros@banorte.com	(55) 5004 - 1002
Carlos Alberto Arciniega Navarro	Head of Treasury Services	carlos.arciniega@banorte.com	(81) 1103 - 4091
Gerardo Zamora Nanez	Head of Transactional Banking, Leasing and Factoring	gerardo.zamora@banorte.com	(81) 8318 - 5071
Jorge de la Vega Grajales	Head of Government Banking	jorge.delavega@banorte.com	(55) 5004 - 5121
Luis Pietrini Sheridan	Head of Private Banking	luis.pietrini@banorte.com	(55) 5004 - 1453
Lizza Velarde Torres	Executive Director of Wholesale Banking	lizza.velarde@banorte.com	(55) 4433 - 4676
Osvaldo Brondo Menchaca	Head of Specialized Banking Services	osvaldo.brondo@banorte.com	(55) 5004 - 1423
Raúl Alejandro Arauzo Romero	Head of Transactional Banking	alejandro.arauzo@banorte.com	(55) 5261 - 4910
René Gerardo Pimentel Ibarrola	Head of Corporate Banking	pimentelr@banorte.com	(55) 5268 - 9004
Ricardo Velázquez Rodríguez	Head of International Banking	rvelazquez@banorte.com	(55) 5004 - 5279
Víctor Antonio Roldan Ferrer	Head of Commercial Banking	victor.roldan.ferrer@banorte.com	(55) 5004 - 1454