

## Galia Borja is nominated as the next Deputy Governor for Banxico

- Today, President Andrés-Manuel López-Obrador nominated Galia Borja as the next Deputy Governor for Banxico
- She would be replacing Deputy Governor Javier Guzmán, whose term ends on December 31<sup>st</sup>
- Currently, Borja serves as the Federal Government’s Treasurer. She has served in this institution since 2008 with a relevant career, having previously worked in Mexico City’s Finance Ministry
- This nomination is broadly in line with market expectations, and in our opinion supports the central bank’s prudent stance, while also improving gender equality within the Board
- In addition, while her policy skew is still somewhat unknown, relative to Deputy Governor Guzmán, it will probably be less hawkish

**The president nominates Galia Borja as Banxico’s next Deputy Governor.** Today, in his daily press conference, president Andrés-Manuel López-Obrador announced that he will nominate Galia Borja-Gómez to be the central bank’s next Deputy Governor. Borja would be replacing Deputy Governor Javier Guzmán, whose term ends on December 31<sup>st</sup>. It should be noted that her nomination needs to be ratified by a simple majority in the Senate. Nevertheless, if the latter is not in session, she may be ratified by the Permanent Commission. In this context, we recall that the ordinary period in the former ends on December 15<sup>th</sup>. If she is confirmed, she will serve an eight-year term, starting on January 1<sup>st</sup>, 2021 and ending on December 31<sup>st</sup>, 2028.

### Composition of Banxico’s Board of Governors

Position	Name	End of period
Governor	Alejandro Díaz de León Carrillo	Dec-31-2021
Deputy Governor	Gerardo Esquivel Hernández	Dec-31-2022
Deputy Governor	Irene Espinosa Cantellano	Dec-31-2024
Deputy Governor	Jonathan Ernest Heath Constable	Dec-31-2026
Deputy Governor	Galia Borja Gómez <sup>1</sup>	Dec-31-2028

Note 1: Would replace Javier Eduardo Guzmán Calafell (Jan-1-2012 to Dec-31-2020)  
Source: Banxico, Banorte

**Galia Borja’s professional profile.** Her career has developed mostly in the public sector. Currently, she works as the Federal Government’s Treasurer, position she has held since late 2018. She has been part of this institution since 2008, holding positions such as Associate Director for Revenues. Before this, from 2001 to 2007 she worked at Mexico City’s Ministry of Finance, as part of Carlos Urzúa’s team, who was the first Minister of Finance of the current administration (from December 2018 to July 2019). Galia Borja has a bachelor’s degree in Math from UNAM (*Universidad Nacional Autónoma de México*), a master’s degree in Applied Math from New York State University, and a master’s degree in Economic and Public Policy from the Monterrey Institute of Technology.

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



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**Borja’s nomination is broadly in line with market expectations, contributing to the central bank’s prudent stance, while also supporting gender equality.**

Although it is not entirely clear which opinions Galia Borja holds in terms of monetary policy and the skew she might show within Banxico’s Board (either hawkish or dovish), we believe she will keep supporting the prudent and responsible policies of the central bank. In this sense we will be looking into her appearances before Congress to gauge her possible stance. Nevertheless, it is very likely that she will probably be less hawkish relative to outgoing Deputy Governor Javier Guzmán. The latter supports our call of [additional cuts next year](#). In addition, we believe this is an important action to push gender equality within Banxico’s Board, as she would be the second woman to occupy this position, following the footsteps of current Deputy Governor Irene Espinosa.

## 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.

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	Reference
<b>BUY</b>	When the share expected performance is greater than the MEXBOL estimated performance.
<b>HOLD</b>	When the share expected performance is similar to the MEXBOL estimated performance.
<b>SELL</b>	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.

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