

# Ahead of the Curve

## INEGI's *Timely Indicator* will likely confirm a slowdown in 3Q21

**Weekly international reserves report.** Last week, net international reserves increased by US\$168 million, closing at US\$205.6 billion (please refer to the following table). According to Banxico's report, this was explained by a positive valuation effect in institutional assets. So far this year, the central bank's international reserves have risen by US\$9.9 billion.

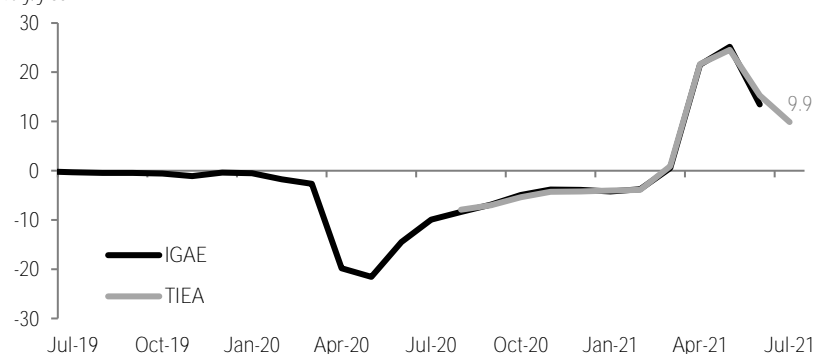
Banxico's foreign reserve accumulation details  
US\$, million

	2020	Sep 3, 2021	Sep 3, 2021	Year-to-date
	Balance		Flows	
International reserves (B)-(C)	195,667	205,559	168	9,892
(B) Gross international reserve	199,056	211,799	361	12,742
Pemex	--	--	0	449
Federal government	--	--	-20	248
Market operations	--	--	0	0
Other	--	--	381	12,046
(C) Short-term government's liabilities	3,389	6,240	193	2,851

Source: Banco de México

**Timely Indicator of Economic Activity (August).** This release will include the first estimate for August, along revised figures for July. We recall that June's mid-point forecast stood at 15.3% y/y (using sa figures), much higher than the [13.4% in the GDP-proxy \(IGAE\)](#). We expect July's estimate, currently at 9.9%, to be revised up. This would be driven by data published since, such as [industrial production](#), which suggest a sequential advance. For August signals are mostly to the downside, with daily COVID-19 cases reaching all-time highs by the middle of the month. This is consistent with some indicators suggesting lower dynamism, such as [IMEF's PMIs](#), business confidence and auto production. Nevertheless, mobility was resilient, possibly limiting a more substantial decline in activity.

Monthly GDP-proxy (IGAE) and the Timely Indicator of Economic Activity (TIEA)  
% y/y sa



Source: INEGI

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### Mexico weekly calendar

DATE	HOOR (ET)	EVENT	PERIOD	UNIT	BANORTE	CONSENSUS	PREVIOUS
Sun 12-Sep		Job creation affiliated to IMSS	August	thousands	--	--	116.5
Mon 13-Sep		ANTAD same-store sales	August	% y/y in real terms	--	--	9.0
Tue 14-Sep	10:00am	International reserves	Sep-10	US\$ bn	--	--	205.6
Thu 16-Sep		Markets closed due to Independence Day holiday					
Fri 17-Sep	7:00am	Timely Indicator of Economic Activity (sa)	August	% y/y	--	--	9.9

Source: Banorte; Bloomberg

## Analyst Certification

We, Gabriel Casillas Olvera, Alejandro Padilla Santana, Delia María Paredes Mier, Juan Carlos Alderete Macal, Manuel Jiménez Zaldívar, Marissa Garza Ostos, Francisco José Flores Serrano, Katia Celina Goya Ostos, Santiago Leal Singer, José Itzamna Espitia Hernández, Alik Daniel García Álvarez, Víctor Hugo Cortes Castro, Hugo Armando Gómez Solís, Miguel Alejandro Calvo Domínguez, Luis Leopoldo López Salinas, Leslie Thalía Orozco Vélez, Gerardo Daniel Valle Trujillo 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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