BANORTE

Economic Research
Mexico

Ahead of the Curve

Banxico to remain hawkish despite downgrading GDP expectations

February 25, 2022

www.banorte.com
@analisis_fundam

Juan Carlos Alderete, CFA
Executive Director of Economic Research and Financial Markets Strategy
juan.alderete.macal@banorte.com

Francisco Flores
Director of Economic Research, Mexico
francisco.flores.serrano@banorte.com

Yazmín Pérez
Senior Economist, Mexico
yazmin.perez.enriquez@banorte.com

Winners of the award for best economic forecasters for Mexico in 2021, granted by *Refinitiv*

STARMINE AWARDS FOR REUTERS POLLS FROM REFINITIV

- **Banxico's *Quarterly Report* (4Q21).** Similar to the previous two reports, attention will center on updated estimates for GDP and other economic figures, on top of relevant topics included in the *grey boxes*. In the former, we expect a downward revision to the current 2022 forecast of 3.2%, closer to our 2.4%. On inflation, and even though we haven't seen changes to it in this publication since they have been included in policy decision, we do not rule out additional upward adjustments considering important changes to the environment for prices. We expect the tone to remain *hawkish*, especially after information in the statement and minutes

- **IMEF's PMIs (February).** After a meaningful setback at the start of the year, we expect both indicators to return above the expansion threshold, helped by the lessening of Omicron cases and supply bottlenecks, albeit the latter at a more modest pace. We see manufacturing up 2.5pts to 51.3pts, with non-manufacturing going from 49.0pts to 50.1pts (1.2pts), although not enough to make up last month's decline

Mexico weekly calendar

DATE	TIME (ET)	EVENT	PERIOD	UNIT	BANORTE	CONSENSUS	PREVIOUS
Mon 28-Feb	7:00am	Unemployment rate	January	%	4.33	4.12	3.51
		sa		%	4.01	--	3.96
Mon 28-Feb	10:00am	Commercial banking credit	January	% y/y in real terms	-1.9	--	-2.7
		Consumption		% y/y in real terms	-0.6	--	-2.1
		Mortgages		% y/y in real terms	3.3	--	2.8
		Corporates		% y/y in real terms	-3.8	--	-4.3
Tue 1-Mar	10:00am	International reserves	Feb-25	US$ bn	--	--	201.5
Tue 1-Mar	10:00am	Family remittances	January	US$ mn	3,984.8	4,414.4	4,760.4
Tue 1-Mar	1:00pm	IMEF's PMI survey	February				
		Manufacturing		index	51.3	--	48.8
		Non-manufacturing		index	50.1	--	49.0
Wed 2-Mar	1:30pm	Banxico's Quarterly Report	4Q21				
Wed 2-Mar		Budget balance (measured with PSBR)	January	MX$ bn	--	--	-996.7
Thu 3-Mar	10:00am	Banxico's survey of economic expectations	February				
Fri 4-Mar	7:00am	Gross fixed investment	December	% y/y	5.4	5.1	5.9
		sa		%m/m	-0.1	--	-0.1
		Machinery and equipment		% y/y	3.0	--	1.1
		Construction		% y/y	8.2	--	12.0
Fri 4-Mar	7:00am	Private consumption	December	% y/y	--	--	7.5
		sa		%m/m	--	--	0.7
		Domestic (Goods and services)		% y/y	--	--	6.1
		Imported (Goods)		% y/y	--	--	18.0

Source: Banorte; Bloomberg

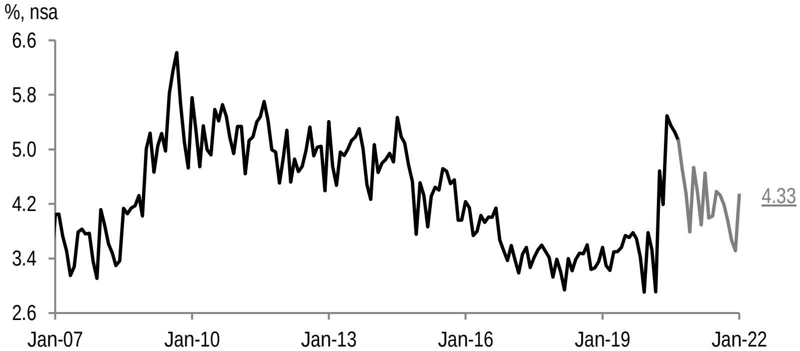
Proceeding in chronological order...

Likely deterioration in the labor market in January, impacted by 'Omicron'. We estimate the unemployment rate at 4.33% (original figures), higher than the 3.51% of the previous month. Most of this adjustment would be explained by seasonal effects which tend to drive it higher in the first months of the year. However, we also expect an impact from the latest wave of contagions, halting labor gains and possibly with some job losses. Therefore, with seasonally adjusted figures, we expect a 5bps increase to 4.01%. Specifically, an important uptick in work absenteeism was reported due to surging 'Omicron' cases. For example, IMSS reported that about 300 thousand temporary leave permits were granted between January 10 and the first days of February, reflecting the magnitude of the problem. This likely did not impact the formal sector (see below), so the deterioration would mostly be seen in informal employment.

In this context, available indicators are mostly negative. Positively, employment of people affiliated to IMSS rose by 142.3 thousand, partly due to seasonality. Adjusting these figures, the increase was just 48.6 thousand, lower than in December. Regarding the effect from COVID-19, formal jobs are relatively shielded as workers can apply for temporary leave and should not be counted as unemployed or out of the labor force. Regarding aggregate trend indicators, these showed modest upticks in manufacturing and construction employment, albeit with relevant setbacks in commerce and private non-financial services. This is consistent with a more meaningful impact of the virus on the tertiary sector. Similarly, employment components within IMEF's PMIs fell strongly, down 4.4pts in manufacturing (to 48.1pts) and with an even larger contraction of -7.3pts in non-manufacturing (to 47.8pts). Considering this, we also see a negative impact on participation and part-time indicators. A jump in wages is probable, driven by the 22% increase to the minimum wage.

In our view, this print will be important to assess the economic impact from the last wave of COVID-19, considering that signals for February are more favorable. In this sense, we maintain our expectation that labor market conditions will keep improving during 2022.

Unemployment rate
%, nsa



Source: INEGI, Banorte

Banking credit to moderate in January. We anticipate a 1.9% y/y decline in banking credit to the private non-financial sector, better than the -2.7% seen in the previous month. Considering a more difficult backdrop for activity, we believe the recovery will be more modest, albeit still supported by a positive base effect. Specifically, the latest wave of contagions due to 'Omicron' may have triggered additional concerns in both businesses and consumers, diminishing credit demand. Nevertheless, expectations of an improvement in coming months should support dynamism to some extent, especially among the former. The effect from inflation is favorable by 28bps, with headline inflation falling to 7.07%. In the detail, consumer loans would stand at -0.6% (previous: -2.1%), with corporates also negative at -3.8% (previous: -4.3%). Lastly, mortgages would be more stable at 3.3% (previous: 2.8%).

Weekly international reserves report. Last week, net international reserves increased by US$63 million, closing at US$201.5 billion (please refer to the following table). According to Banxico's report, this was mainly explained by a positive valuation effect in institutional assets. Year-to-date, the central bank's international reserves have fallen by US$898 million.

Banxico's foreign reserve accumulation details
US$, million

	2021	Feb 18, 2022	Feb 18, 2022	Year-to-date
	Balance		Flows	
International reserves (B)-(C)	202,399	201,501	63	-898
(B) Gross international reserve	207,745	209,578	132	1,833
Pemex	--	--	0	0
Federal government	--	--	-60	3,948
Market operations	--	--	0	0
Other	--	--	192	-2,115
(C) Short-term government's liabilities	5,346	8,077	69	2,731

Source: Banco de México

January remittances to reflect better labor market conditions in the US. We expect remittances at US$3,984.8 million, up 21.2% despite a quite challenging base effect. This would be the first print below the US$4 billion threshold since February 2021. Nevertheless, it should be recalled that the period's seasonality is weak, with the year usually starting relatively slow after the holiday season and difficult weather conditions in the US. We should also mention that the Omicron wave likely kept impacting mobility and labor market supply, with a plethora of reports about of worker absenteeism due to the virus, among other disruptions.

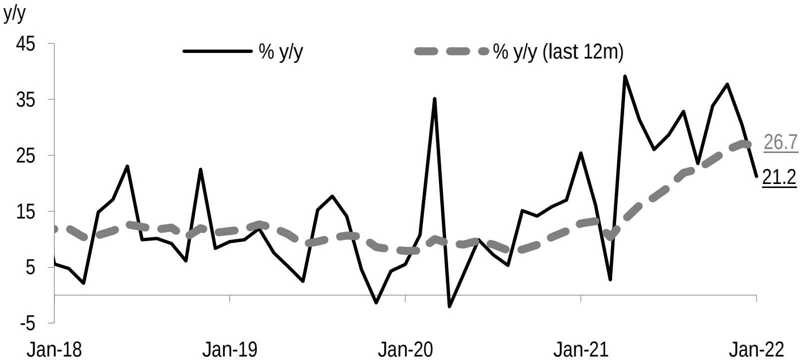
Despite of this, available figures point to a relatively strong performance in employment, consistent with signs an economic deceleration, albeit less than originally expected. For example, both ISM indicators in the US slowed down relative to December –albeit still firmly in expansion territory–, while there were upside surprises in retail sales and industrial production. Nonfarm payrolls showed 467k new posts, with the unemployment rate an inch higher, to 4.0% from 3.9%, although driven by a higher participation rate. Among Hispanics and Latinos, the latter metric stayed unchanged at 4.9%. Meanwhile, the number of working-age Mexicans –including 'natives', 'non-native citizens', and 'non-citizens' (legal or illegal)– surged by 765,426 persons to a new historical high of 27.5 million.

Moreover, total employees increased by 988 thousand, led by non-citizens and more than compensating for the decline of 836 thousand in December. In response, the unemployment rate for Mexicans plunged to 5.7% from 7.6% previously, according to our calculations, with a total of 17.2 million employed, about 10k less than its historical high.

We remain optimistic about remittances, estimating a 9.5% y/y advance in 2022, to US$56.5 billion. In our view, the report will be important to gauge underlying dynamics and the relative resilience of inflows, as: (1) The effect of previous fiscal stimulus measures has waned, while Congress has failed to pass new targeted budget measures, as far as we know; (2) the latest wave of COVID-19 was still a problem for some businesses; and (3) weather conditions were also a problem for activity in some states. Therefore, we would judge an actual print close to our forecast as positive and still consistent with our call for the full year.

Family remittances

% y/y



Source: Banxico

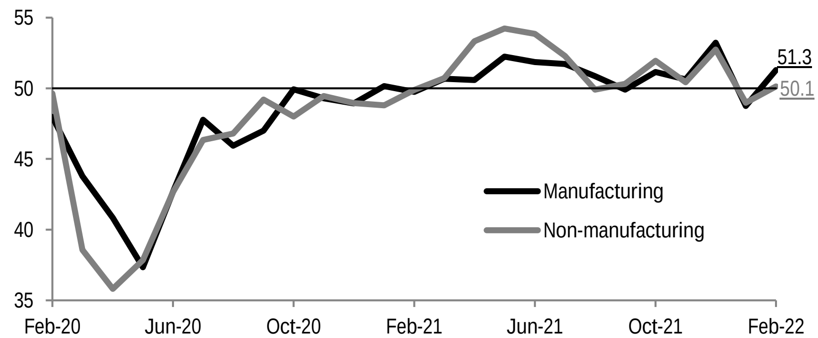
IMEF indicators to signal some rebound in February. After a meaningful setback at the start of the year, we expect both indicators to return above the expansion threshold, helped by the lessening of Omicron cases and supply bottlenecks, albeit the latter at a more modest pace. We see manufacturing up 2.5pts to 51.3pts, with non-manufacturing going from 49.0pts to 50.1pts (1.2pts), although not enough to make up last month's decline.

In manufacturing, signals from abroad were favorable. *Markit's* PMI in the US strengthened to 57.5pts from 55.5pts. According to the report, output gained considerable momentum as virus disruptions diminished, also fostering demand. A slight easing of supply bottlenecks also helped production, while export sales grew at its fastest pace in five months. Despite of this, price pressures remain elevated, with higher input costs on raw materials, transportation and wages. Given high demand, more companies planned to pass them to their customers to protect profit margins, with the increase in delivery times boosting the headline indicator. Moreover, new orders also picked up dynamism, supporting confidence. Locally, we had some brief interruptions to trade (*e.g.* temporary ban on avocado exports to the US from February 11 to 18, halted activities at the Lazaro Cardenas port for a few hours due to protests), although they were likely not material. On the other hand, costs remain a headwind, with January's PPI showing elevated annual rates in storage (+7.9% y/y), and transportation by sea (6.1%) and road (4.7%), among others. In our view, 'production' and 'employment' will likely benefit the most.

In non-manufacturing, the improvement is likely to be more modest as the drag from inflation bites more heavily on households' purchasing power. In this sense, core goods inflation reached a 21-year high in the1H-February of 8.2%. Services have been on an upward trend and stood at 4.6%, not seen since late 2008. The peak in daily COVID-19 cases was registered in mid-January at slightly more than 60 thousand and has been declining since then. Mobility also improved, although more modestly as the recent impact of higher cases on this metric was muted. It has also helped people adapting to the pandemic and vaccination boosters advancing further. Specifically, Google's data showed all categories – public transportation, retail and recreation, and workplaces– moving back above pre-pandemic levels during the month. Lastly, we expect employment in January to have declined, as explained above, which may result in a drag for the figure.

After a weak start of the year, an acceleration in February would be welcome news. Nevertheless, we remain cautious about the economy as domestic demand has failed to accelerate more meaningfully, stimulus measures locally and abroad will be more limited, and geopolitical risks are on the rise.

IMEF indicators
Diffusion indicators, sa



Source: IMEF, Banorte

Attention on growth and *grey boxes* within Banxico's 4Q21 *Quarterly Report*. On Wednesday, the central bank will release its 4Q21 *Quarterly Report* (QR) at 1:30pm (ET). Similar to the previous two reports, attention will center on updated estimates for GDP and other economic figures, on top of relevant topics included in the *grey boxes*. Even though we haven't seen changes to inflation in this publication since they have been included in policy decision, we do not rule out additional upward adjustments considering important changes to the environment for prices. We expect the tone to remain *hawkish*, especially after information in the statement and the minutes.

On growth, the mid-point of the central bank's estimate for 2022 stands at 3.2%. This is higher than consensus in several surveys, including the one made by the institution, which stands at 2.2%, as well as our 2.4%. We consider Banxico will adjust its estimate lower because of several factors, including: (1) Lower inertial boost given the deceleration of 2H21; (2) signals of a weak start of the year due to higher 'Omicron' cases; and (3) price pressures triggering further monetary tightening, on top of its impact on people's real incomes. This fact was already telegraphed by Deputy Governor Jonathan Heath in an interview with *Bloomberg*.

However, as it is still early in the year and an uncertain environment persists –especially after the Russian invasion of Ukraine–, Banxico could opt to make a moderate adjustment, likely recognizing some positive factors for the remainder of the year. Therefore, the estimate for 2023 would show limited revisions, reflecting adjustments in the base effect for 2022 and lower fiscal and monetary stimulus, albeit with a potential reduction in supply restrictions. We will be looking into the update of output gap estimations, which will likely maintain an ample degree of slack, although there has been acknowledgement of possible estimation errors due to distortions triggered by the pandemic. We believe external account indicators (trade balance and current account) could show wider deficits, with pre-pandemic dynamics possibly resuming. On employment, the adjustment could be slightly to the downside, reflecting a more modest recovery of activity.

On inflation, we do not rule out new upward revisions considering the recent pickup in energy prices due to the Ukraine invasion, as well as from the continuation of important pressures at the core. On top of energy, we have seen higher exchange rate volatility, which could have an adverse effect in the price formation process. In the very short-term, the average of annual headline inflation so far in 1Q22 (up to 1H-February) stands at 7.1%, higher than the 6.9% estimate of the institution. To reach the latter figure, inflation would have to average around 6.7% in the three remaining fortnights, which looks challenging. On top of this, we will pay attention to the expanded balance of risks, which tends to have more information than the one presented in the statement.

Regarding *grey boxes*, we expect most of them to concentrate on related themes about inflation given current conditions. Nevertheless, given the importance that the relative monetary stance has gained, at least one could focus on market dynamics given expectations of a Fed rate hike and/or how local monetary policy has responded to previous tightening episodes. We do not rule out studies on activity and other relevant fronts.

Overall, we believe the document will be very important given that risks for faster tightening and in the geopolitical front have increased. We maintain our call of a 25bps increase in March, even though we recognize that the probability of +50bps has increased. After this, we expect four additional 25bps adjustments each, taking place in May, June, September and December, taking the reference rate to 7.25% by year-end.

MoF's public finance report (January), previously -US996.7bn. Attention will center on the Public Balance and Public Sector Borrowing Requirements (PSBR) in the first month of the year. Specifically, we will be looking to its performance relative to what was approved in the *2022 Budget.* We will also pay attention to revenues, with oil-related probably higher –due to higher prices–, but also to the evolution on income tax and VAT collection. On spending, it will be relevant to see the breakdown of financial costs and programmable spending, specially, in the autonomous and administrative branches.Lastly, we will analyze public debt, which amounted to $13.1tn in December, equivalent to 50.1% of GDP (as measured by the Historical Balance of the PSBR).

Banxico's survey of economic expectations. As usual, focus will be on inflation, growth, reference rate, and exchange rate forecast. Regarding inflation, the median for year-end 2022 is at 4.3%, very close to our 4.4 %. Given that pressures continue, specifically at the core, we do not rule out the possibility of additional increases in short-term estimates. Meanwhile, we do not see substantial changes in medium and long-term expectations, remaining above the target. On GDP, the 2022 estimate stands at 2.2% (Banorte: 2.4%), albeit possibly having additional adjustments after the final report for 2021. On the reference rate, the estimate for the end of the year is 6.75%, below our 7.25% (5 more +25pb hikes). Considering both domestic (*e.g.* inflation) and external factors (*e.g.* monetary stance relative to the Fed), it will likely be revised upwards. Lastly, the year-end exchange rate stands at USD/MXN 21.32 (Banorte: 21.80), still not anticipating large adjustments.

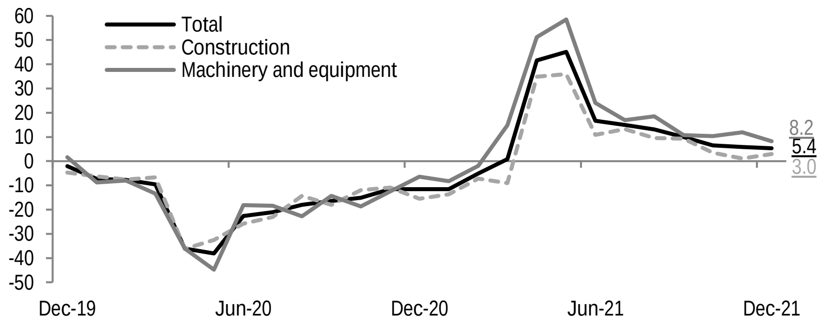
Investment likely still dampened in December. We expect GFI at 5.4% y/y (previous: 5.9%), limited despite better economic activity at the margin, with the monthly GDP-proxy IGAE up 0.8% m/m. This would imply a 0.1% m/m decline, stringing four months in negative territory. Moreover, it would result in full-year 2021 growth of 9.8%, a partial rebound after the -17.8% seen in 2020.

By sectors, construction would have stayed down, at -0.5% m/m (+3.0% y/y). At first sight, this would be inconsistent with the industrial production report, in which the sector advanced 0.8%. Nevertheless, the latter was driven by a +9.4% in specialized works, which are not accounted in investment. On the other hand, both edification (-0.3%) and civil engineering (-4.0%) fell for a third consecutive month. This is contrary to the signal from business confidence, with the headline and the 'adequate moment to invest' components maintaining an upward trend since last August. Despite of this, we continue seeing a plethora of news about the impact of higher raw material costs that have affected projects' profitability. Evidence and recent performance suggest that this is still weighing heavily, especially on the private sector.

On the other hand, we see machinery and equipment unchanged sequentially (+8.2% y/y). Imports likely maintained stronger dynamics, estimated at 0.3% m/m. Although capital goods' imports in the trade balance backtracked 0.1%, this was seen after increasing 4.1% in November. In addition, the MXN was stable at 20.89 per dollar on average, albeit with the annual loss to the USD more modest relative to the previous month. This could distort data when expressed in pesos, which is how they are measured in investment. In the domestic sector, we anticipate a 0.3% rebound, modest when compared to the -5.9% previously. We highlight the meaningful uptick in auto sector production (10.4%), although this was not reflected in exports (-8.7%). This was also the case in machinery and equipment (3.5%). We believe differences between production and shipments abroad may have widened because of higher delivery times in key inputs. In turn, this has been driven by shipment delays due to supply chain problems. Therefore, we are more cautious about extrapolating the results in production data.

If our forecast is right, results would be weak considering that epidemiological conditions improved significantly, while economic activity accelerated. The backdrop seems to have deteriorated again in January because of Omicron. Meanwhile, high raw material prices, lower growth expectations, and higher interest rates, point to a more difficult investment environment. As a result, we still see a challenging outlook for this component of aggregate demand, with the public sector probably more resilient given higher federal spending in the Budget, focused on priority projects.

GFI
% y/y



Source: INEGI, Banorte

Consumption to maintain an upward trend in December. We expect a positive performance for a sixth month in arow, albeit more modest than the rise seen in November (0.7% m/m). Part of the slowdown would respond to the fading of *El Buen Fin* effect (Mexican Black Friday), as many consumers may have brought forward some holiday purchases. Nevertheless, fundamentals suggest dynamism continued, supported by: (1) Strength in remittances, despite signs of moderation in the US; (2) additional employment gains; and (3) higher dynamism in consumer loans. Other indicators so far support this trend, including services within the GDP-proxy (IGAE), albeit with a moderation in the stand-alone retail sales report. In addition, consumption goods imports were positive at the margin, albeit with the latter still skewed to the upside due to price pressures. In this sense, high inflation remains as an obstacle as it is impacting real incomes, even though it seemed to have stabilized at the margin. Our view remains favorable, with performance driven by the economic recovery, government transfers and favorable remittances' inflows. The main risk is still the pandemic, as evidenced by the latest COVID-19 wave. We also highlight other challenges such as a less accommodative stance from Banxico.

Analyst Certification

We, Alejandro Padilla Santana, Juan Carlos Alderete Macal, Alejandro Cervantes Llamas, Manuel Jiménez Zaldívar, Marissa Garza Ostos, Francisco José Flores Serrano, Katia Celina Goya Ostos, José Luis García Casales, Yazmín Selene Pérez Enríquez, José Itzamna Espitia Hernández, Carlos Hernández García, Paola Soto Leal, Víctor Hugo Cortes Castro, Hugo Armando Gómez Solís, Daniela Olea Suárez, Miguel Alejandro Calvo Domínguez, Luis Leopoldo López Salinas, Leslie Thalía Orozco Vélez and Gerardo Daniel Valle Trujillo, 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.

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

Research and Strategy			
Alejandro Padilla Santana	Chief Economist and Head of Research	alejandro.padilla@banorte.com	(55) 1103 - 4043
Raquel Vázquez Godinez	Assistant	raquel.vazquez@banorte.com	(55) 1670 - 2967
Itzel Martínez Rojas	Analyst	itzel.martinez.rojas@banorte.com	(55) 1670 - 2251
Lourdes Calvo Fernández	Analyst (Edition)	lourdes.calvo@banorte.com	(55) 1103 - 4000 x 2611

Economic Research			
Juan Carlos Alderete Macal, CFA	Executive Director of Economic Research and Financial Markets Strategy	juan.alderete.macal@banorte.com	(55) 1103 - 4046
Francisco José Flores Serrano	Director of Economic Research, Mexico	francisco.flores.serrano@banorte.com	(55) 1670 - 2957
Katia Celina Goya Ostos	Director of Economic Research, Global	katia.goya@banorte.com	(55) 1670 - 1821
Yazmín Selene Pérez Enríquez	Senior Economist, Mexico	yazmin.perez.enriquez@banorte.com	(55) 5268 - 1694
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			
Leslie Thalía Orozco Vélez	Senior 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
Carlos Hernández García	Senior Strategist, Equity	carlos.hernandez.garcia@banorte.com	(55) 1670 – 2250
Víctor Hugo Cortes Castro	Senior Strategist, Technical	victorh.cortes@banorte.com	(55) 1670 - 1800
Paola Soto Leal	Analyst	paola.soto.leal@banorte.com	(55) 1103 - 4000 x 2755

Corporate Debt			
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

Quantitative Analysis			
Alejandro Cervantes Llamas	Executive Director of Quantitative Analysis	alejandro.cervantes@banorte.com	(55) 1670 - 2972
José Luis García Casales	Director of Quantitative Analysis	jose.garcia.casales@banorte.com	(55) 8510 - 4608
Daniela Olea Suárez	Senior Analyst, Quantitative Analysis	daniela.olea.suarez@banorte.com	55) 1103 - 4000
Miguel Alejandro Calvo Domínguez	Senior Analyst, Quantitative Analysis	miguel.calvo@banorte.com	(55) 1670 - 2220

Wholesale Banking			
Armando Rodal Espinosa	Head of Wholesale Banking	armando.rodal@banorte.com	(55) 1670 - 1889
Alejandro Aguilar Ceballos	Head of Asset Management	alejandro.aguilar.ceballos@banorte.com	(55) 5004 - 1282
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 - 5140
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) 8173 - 9127
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) 5249 - 6423
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) 5004 - 1051
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) 1670 - 1899