

Ahead of the Curve

Positive signs at the end of the year, but with higher uncertainty for January

TUESDAY – Weekly international reserves (February 10th); previous: US\$201.3 billion. Last week, net international reserves increased by US\$281 million, closing at US\$201.3 billion (see table below). This was mainly due to a positive valuation effect in institutional assets. Year-to-date, central bank’s reserves have increase by US\$2.2 billion.

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

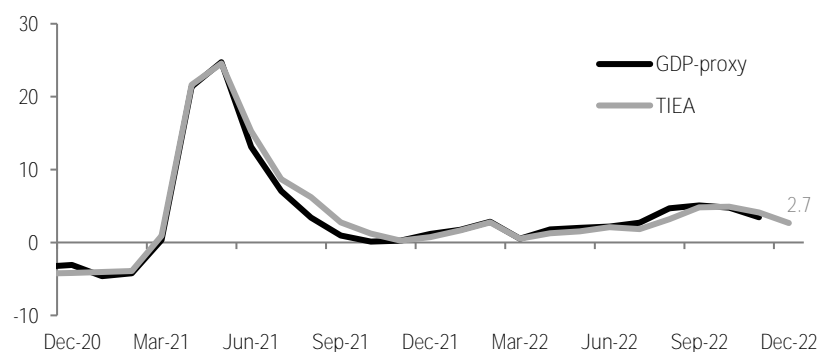
	2022	Feb 03, 2023	Feb 03, 2023	Year-to-date
	Balance		Flows	
International reserves (B)-(C)	199,094	201,276	281	2,182
(B) Gross international reserve	201,143	206,279	373	5,135
Pemex	--	--	0	0
Federal government	--	--	-86	3,217
Market operations	--	--	0	0
Other	--	--	459	1,919
(C) Short-term government's liabilities	2,049	5,002	92	2,953

Source: Banco de México

FRIDAY – Timely Indicator of Economic Activity (January); previous: 2.7% (sa). This release includes revised figures for December and the first estimate for January. We recall that November’s mid-point forecast was 4.1% y/y (with sa figures), stronger than the 3. 5% seen in the GDP-proxy (IGAE). For the last month of 2022, we anticipate an upward revision –leading to a sequential advance– given positive data in [4Q22 GDP](#) (implicitly pointing to +0.4% m/m) and [industrial production](#). Services would have rebounded, with good signals out of retail sales and some tourism indicators. For January, information is mixed. We highlight the rebound in [annual inflation](#), albeit we should also consider the [new minimum wage](#). IMEF’s PMIs moderated in both categories, although they are still in expansion territory. Considering this, a modest sequential increase is possible, despite not ruling out a minor setback.

Monthly GDP-proxy and the Timely Indicator of Economic Activity (TIEA)

% y/y sa



Source: INEGI

Mexico weekly calendar

DATE	TIME (ET)	EVENT	PERIOD	UNIT	BANORTE	CONSENSUS	PREVIOUS
Mon 13-Feb		ANTAD: Same-store sales	January	% y/y in real terms	--	--	1.1
Tue 14-Feb	10:00am	International reserves	Jan-13	US\$ bn	--	--	201.3
Fri 17-Feb	7:00am	Timely Indicator of Economic Activity (sa)	January	% y/y	--	--	2.7

Source: Banorte; Bloomberg

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