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THE DOLLAR IS BOOSTED BY ITS WEAK COUNTERPARTIES

- At the opening of the American session, the Mexican peso extends its advance prior to the opening, but is positioned in 2nd place among the currencies of emerging countries that present the greatest gains against the dollar. Today, the exchange rate reversed the decline observed in the overnight session, after considering Jerome Powell's comments following the FOMC decision and evaluating the contrast with Banxico's easing cycle.
- The dollar, measured through the DXY index, opens higher, standing near the 104.40 mark, driven by the weakening of its peers. Following the FED's decision to keep rates unchanged again, Powell said a cut in September could be on the table if inflation continues to decline in line with expectations. Additionally, labor costs increased by half of market forecasts in 2Q24, along with unemployment figures higher than those expected by the market.
- The number of people who applied for unemployment insurance in the USA increased to 249 thousand, reaching a new annual maximum and exceeding market expectations of 236 thousand. This increase, along with other key indicators, indicates that the labor market continues to weaken, reinforcing the market's optimistic expectations that the FED could cut interest rates at its September meeting.
- The Bank of England reduced its interest rate by 25bps to 5.0% at its meeting today, in line with market expectations, but signaled that it will proceed cautiously in easing monetary policy until officials are more confident about that inflation will remain moderate. The decision was described as "finely balanced", as 4 members of the Monetary Policy Council opted to keep rates unchanged, as the slowdown in inflation offset higher growth in services prices and persistent risks of inflation. that second-round effects could erase the central bank's progress.

USD/MXN



Fuente: Refinitiv

USD/MXN SPOT

During the overnight session, the price reached a minimum of \$18.50 and a maximum of \$18.73 units. For today we estimate a **fluctuation range between \$18.29 and \$18.70 pesos per dollar**, considering support levels at \$18.25 and resistance at \$18.75.

EURO/USD SPOT

For today we estimate a **trading range between \$1.076 and \$1.083 dollars per euro**, considering support levels at \$1.075 and resistance levels at \$1.084 units.

USD/MXN: Technical Indicators of the previous session

Bullish and Bearish Fluctuation Levels (Intra-Day)								
Range for Buyers	18.43	-1.0%	Range for Sellers			18.73	0.6%	
	18.50	-0.6%				18.80	1.0%	
Change (%)	Open	High	Low	Close	Daily Difference (5 days)			
Day	-0.8	18.76	18.94	18.51	18.62	High (cents)	-32.69	
Week	1.4	0.71%	0.66%	-0.33%	-0.79%	Low (cents)	31.40	
Acum. M	8.3	1 week		4 Weeks		52 Weeks		
12 months	11.2	High	18.94	1.8%	18.94	1.8%	18.99	2.0%
Year 2024	9.7	Low	18.30	-1.7%	17.61	-5.4%	16.26	-12.7%

Economic Calendar

Hour	Currency	Event	Current	Forecast	Prior
01:50	EUR	France Manufacturing PMI (Jul F)	44	44.1	44.1
01:55	EUR	Germany Manufacturing PMI (Jul F)	43.2	42.6	42.6
02:00	EUR	Eurozone Manufacturing PMI (Jul F)	45.8	45.6	45.6
02:30	GBP	PMI Manufacturing (Jul F)	52.1	51.8	51.8
03:00	EUR	Eurozone Unemployment Rate (Monthly) (Jun)	6.5%	6.4%	6.4%
05:00	GBP	BOE Monetary Policy Decision	5.0%	5.0%	5.3%
06:30	USD	Unemployment Insurance Claims (Jul 27)	249k	236k	235k
07:00	BRL	PMI Manufacturing (Jul)	54	--	52.5
07:45	USD	PMI Manufacturing S&P (Jul F)	--	49.6	49.5
08:00	USD	Construction Expenditure (Monthly) (Jun)	--	0.2%	-0.1%
08:00	USD	ISM Manufacturing (Jul)	--	48.8	48.5
09:00	MXN	PMI Manufacturing S&P (Jul)	--	--	51.1
09:00	MXN	Family Remittances (Jun)	--	\$5525.0m	\$5624.5m
09:00	MXN	Banxico Expectations Survey			
12:00	MXN	PMI Manufacturing IMEF (Jul)	--	49	49.5
12:00	MXN	PMI no Manufacturing IMEF (Jul)	--	50.7	51
	USD	Vehicle Sales (Jul)	--	16.20m	15.29m

Emerging Currencies Performance

		Closing		Change %			Cumulative %			
		Prior	Everyday	Weekly	Monthly	2021	2022	2023	2024	
Emerging Currencies										
Mexico	MXN	18.62	-0.8%	1.4%	1.6%	3.1%	-5.0%	-13.0%	9.7%	
Argentina	ARS	930.80	-0.1%	0.3%	2.1%	22.1%	72.4%	356.4%	15.1%	
Brazil	BRL	5.65	0.7%	-0.1%	1.0%	7.3%	-5.1%	-8.2%	16.4%	
Chile	CLP	942.16	-1.3%	-0.6%	0.1%	19.9%	-0.1%	3.6%	6.9%	
China	CNY	7.23	-0.2%	-0.5%	-0.6%	-2.6%	8.5%	2.9%	1.8%	
Colombia	COP	4,064.46	-0.5%	0.5%	-2.0%	18.6%	19.3%	-20.1%	4.9%	
Hong Kong	HKD	7.81	0.0%	0.0%	0.1%	0.6%	0.1%	0.1%	0.0%	
India	INR	83.73	0.0%	0.0%	0.4%	1.7%	11.3%	0.6%	0.6%	
Peru	PEN	3.73	0.0%	-1.3%	-2.9%	10.5%	-4.8%	-2.7%	0.6%	
Russia	RUB	85.95	-0.1%	-0.3%	0.2%	1.5%	-1.3%	20.6%	-3.9%	
South Africa	ZAR	18.20	-0.7%	-0.8%	0.1%	8.5%	6.9%	7.8%	-0.9%	

Performance of Developed Currencies

		Closing		Change %			Cumulative %			
		Prior	Everyday	Weekly	Monthly	2021	2022	2023	2024	
Developed Currencies										
Dollar Index	DXY	104.06	-0.5%	-0.3%	-1.7%	6.4%	8.2%	-2.1%	2.7%	
Australia	AUD	0.65	0.1%	-0.6%	-1.9%	-5.6%	-6.2%	0.0%	-4.0%	
Canada	CAD	1.38	-0.3%	0.0%	0.9%	-0.7%	7.3%	-2.3%	4.3%	
Denmark	DKK	6.89	-0.1%	0.1%	-1.0%	7.4%	6.2%	-2.8%	2.1%	
Euro	EUR	1.08	0.1%	-0.1%	1.1%	-6.9%	-5.8%	3.1%	-1.9%	
Japan	JPY	149.98	-1.8%	-2.5%	-6.8%	11.5%	13.9%	7.6%	6.3%	
Norway	NOK	10.91	-0.4%	-1.1%	2.2%	2.8%	11.2%	3.8%	7.2%	
New Zealand	NZD	0.60	0.8%	0.4%	-2.3%	-5.0%	-7.0%	-0.5%	-5.8%	
United Kingdom	GBP	1.29	0.2%	-0.4%	1.7%	-1.0%	-10.7%	5.4%	1.0%	
Sweden	SEK	10.70	-0.6%	-0.8%	0.9%	10.1%	15.2%	-3.4%	6.2%	
Switzerland	CHF	0.88	-0.5%	-0.8%	-2.3%	3.1%	1.3%	-9.0%	4.3%	

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