

THE DOLLAR DEEPENS ITS DECLINE AFTER THE NFP RESULTS

May 2nd, 2025

Written by:
Janneth Quiroz
André Maurin

- At the opening of the American session, the Mexican peso reversed its morning decline and is now ranked 16th among emerging market currencies with the greatest gains against the dollar. Today, the exchange rate began the session on the rise, after the **previous session's figures on US unemployment and manufacturing PMI** fell short of market projections, raising fears of a slowdown in the US economy. Today, the peso was supported by US non-farm payrolls data, which **mitigated the risk of a slowdown in the economic** performance of the country.
- The dollar, measured by the DXY index, is deepening its decline to 99.39, affected by speculation about **trade resolutions** and a less cautious sentiment in the markets, following the **positive non-farm payrolls report**. Some media outlets have been reporting rumors about China reaching out to the US, with the goal of eliminating unilateral tariffs, after the Asian country announced the suspension of tariffs on US ethane imports at the beginning of the week.
- Regarding the G10 currency basket, all currencies appreciated against the dollar, but the Swedish krona and the Australian dollar strengthened significantly, followed by the **Japanese yen** (+0.96%), driven by trade negotiations with the US, which could reach a resolution in June. Meanwhile, the **pound sterling** was the currency with the least gains during the session, amid growing speculation of a 25bp cut in the BoE's benchmark interest rate next week. The **euro** benefited from the dollar's decline and the positive inflation and PMI figures in the region, thus reversing the week's decline.

USD/MXN



USD/MXN SPOT

During the overnight session, the price reached a minimum of \$19.55 and a maximum of \$19.70 units. For today we estimate a **fluctuation range between \$19.54 and \$19.70 pesos per dollar**, considering support levels at \$19.51 and resistance at \$19.73.

EURO/USD SPOT

For today we estimate a **trading range between \$1.130 and \$1.139 dollars per euro**, considering support levels at \$1.128 and resistance levels at \$1.140 units.

USD/MXN: Technical Indicators of the previous session

Bullish and Bearish Fluctuation Levels (Intra-Day)							
Range for Buyers		19.53	-0.4%	Range for Sellers		19.67	0.3%
		19.57	-0.3%			19.70	0.4%
Change (%)		Open	High	Low	Close	Daily Difference (5 days)	
Day	0.3	19.56	19.65	19.52	19.62	High (cents) -7.40	
Week	-0.1	-0.17%	0.02%	-0.13%	0.31%	Low (cents) 13.26	
Acum. M	-4.2	1 week		4 Weeks		52 Weeks	
12 months	14.4	High	19.69	0.4%	21.08	7.5%	21.29 8.6%
Year 2025	-5.8	Low	19.48	-0.7%	19.47	-0.7%	16.53 -15.7%

Economic Calendar

Hour	Uniform	Event	Current	Foresight	Prior
02:00	EUR	Eurozone Manufacturing PMI (Apr F)	49	48.7	48.7
03:00	EUR	Eurozone Consumer Inflation (Annual) (Apr P)	2.2%	2.1%	2.2%
03:00	EUR	Eurozone Consumer Inflation (MoM) (Apr P)	0.6%	0.5%	0.6%
03:00	EUR	Eurozone core inflation (annual) (Apr P)	2.7%	2.5%	2.4%
03:00	EUR	Eurozone Unemployment Rate (MoM) (Mar)	6.2%	6.1%	6.1%
06:30	USD	Nonfarm Payroll (Apr)	177k	138k	228k
06:30	USD	Unemployment rate (monthly) (Apr)	4.2%	4.2%	4.2%
06:30	USD	Labor Participation Rate (MoM) (Apr)	62.6%	62.5%	62.5%
06:30	USD	Average hourly wages (monthly) (Apr)	0.2%	0.3%	0.3%
06:30	USD	Average hourly wages (annual) (Apr)	3.8%	3.9%	3.8%
07:00	BRL	Manufacturing PMI (Apr)	50.3	--	51.8
08:00	USD	Factory Orders (Monthly) (Mar)	4.3%	4.5%	0.6%
08:00	USD	Durable Goods Orders (Monthly) (Mar F)	9.2%	9.2%	9.2%
08:00	USD	Ex Transportation (Monthly) (Mar F)	0.0%	0.0%	0.0%
09:00	MXN	PMI Manufacturer S&P (Abr)	--	--	46.5
09:00	MXN	Family Remittances (Mar)	--	\$5000.0m	\$4458.5m
09:00	MXN	Banxico Expectations Survey			
12:00	MXN	IMEF Manufacturing PMI (Apr)	--	46.7	47.2
12:00	MXN	IMEF Non-Manufacturing PMI (Apr)	--	49	48.6

Emerging Currencies Performance

		Closing	Change %			Cumulative %			
		Prior	Everyday	Weekly	Monthly	2022	2023	2024	2025
Emerging Currencies									
Mexico	MXN	19.62	-0.3%	0.1%	3.9%	5.3%	14.9%	-18.5%	6.2%
Argentina	ARS	1,171.30	-0.6%	-0.7%	-8.6%	-42.0%	-78.1%	-21.6%	-12.0%
Brazil	BRL	5.67	-0.9%	0.6%	1.5%	5.4%	8.9%	-21.4%	8.8%
Chile	CLP	948.40	-0.2%	-0.4%	0.3%	0.1%	-3.5%	-11.6%	5.1%
China	CNY	7.27	0.0%	0.2%	-0.1%	-7.9%	-2.8%	-2.7%	0.4%
Colombia	COP	4,225.60	-0.9%	1.9%	-0.5%	-16.2%	25.2%	-12.0%	4.3%
Hong Kong	HKD	7.76	0.0%	0.1%	0.3%	-0.1%	-0.1%	0.6%	0.2%
India	INR	84.49	0.9%	1.1%	1.2%	-10.1%	-0.6%	-2.8%	1.3%
Peru	PEN	3.66	0.0%	0.8%	-0.2%	5.1%	2.7%	-1.4%	2.5%
Russia	RUB	82.00	0.1%	1.2%	3.6%	1.3%	-17.1%	-21.2%	38.4%
South Africa	ZAR	18.61	-0.3%	0.3%	-0.9%	-6.5%	-7.2%	-2.6%	1.3%

Performance of Developed Currencies

		Closing	Change %			Cumulative %			
		Prior	Everyday	Weekly	Monthly	2021	2022	2023	2024
Developed Currencies									
Dollar Index	DXI	99.47	0.2%	-0.4%	-4.4%	8.2%	-2.1%	7.1%	-8.3%
Australia	AUD	0.64	0.3%	0.7%	1.8%	-6.2%	0.0%	-9.2%	3.5%
Canada	CAD	1.38	0.2%	0.6%	3.7%	-6.8%	2.3%	-7.9%	4.2%
Denmark	DKK	6.59	-0.5%	0.1%	4.6%	-5.9%	2.9%	-6.2%	9.3%
Euro	EUR	1.13	-0.5%	0.1%	4.6%	-5.8%	3.1%	-6.2%	9.4%
Japan	JPY	143.07	-0.5%	0.3%	4.7%	-12.2%	-7.0%	-10.3%	9.9%
Norway	NOK	10.41	-0.4%	1.2%	0.7%	-10.1%	-3.6%	-10.7%	9.4%
New Zealand	NZD	0.59	0.1%	-0.2%	3.8%	-7.0%	-0.5%	-11.5%	6.1%
United Kingdom	GBP	1.33	-0.6%	0.6%	3.0%	-10.7%	5.4%	-1.7%	6.5%
Sweden	SEK	9.66	-0.3%	0.3%	3.6%	-13.2%	3.5%	-9.0%	14.6%
Switzerland	CHF	0.83	-0.2%	0.6%	6.7%	-1.3%	9.9%	-7.3%	9.9%

Directory

DIRECTORATE OF ECONOMIC, FOREIGN EXCHANGE AND STOCK MARKET ANALYSIS

Janneth Quiroz Zamora	Director of Economic, Exchange and Stock Market Analysis	T. 5230-0200 Ext. 0669	jquirozz@monex.com.mx
J. Roberto Solano Pérez	Manager of Economic, Exchange and Stock Market Analysis	T. 5230-0200 Ext. 0760	jrsolano@monex.com.mx
Brian Rodríguez Ontiveros	Stock Analyst	T. 5230-0200 Ext. 4195	brodriguezo1@monex.com.mx
André Maurin Parra	Economic Analyst	T. 5230-0200 Ext. 2307	amaurinp@monex.com.mx
Rosa M. Rubio Kantún	Economic Analyst	T. 5230-0200 Ext. 4465	rmrubiok@monex.com.mx
Kevin Louis Castro	Economic Analyst	T. 5230-0200 Ext. 4186	klouisc@monex.com.mx
César Adrián Salinas Garduño	Information Systems Analyst	T. 5230-0200 Ext. 4790	casalinasg@monex.com.mx

Disclaimer

We, the Stock Market Analysis and Strategy Area, certify that the opinions contained in this document exclusively reflect the point of view of the analyst responsible for its preparation. We further certify that we have not received, and will not receive, any direct or indirect compensation in exchange for expressing a specific opinion on this report.

It is important to mention that the analysts do not make direct or intermediary investments in the securities or derivative instruments that are the subject of the analysis report, and that none of the members of the Board, general managers and executives at the level immediately below it, serve in any position in the issuers that may be the subject of analysis in this document.

In the last twelve months, it is possible that Monex Grupo Financiero, S.A. de C.V. and/or the Financial Institutions that comprise it (hereinafter "Monex"), through their business areas, have received compensation for providing a common representation service, corporate financing, investment banking, corporate advice or granting of bank loans. to broadcasters that may be the subject of analysis in this report. At the end of the last quarter, Monex did not hold investments, directly or indirectly, in securities or derivative financial instruments, the underlying of which are securities, the subject of this report, representing one percent or more of its investment portfolio, of the outstanding securities or of the underlying of the securities issued.

This report is addressed to Monex's Private Banking, Wealth Advisory and Business Banking Promotion Department. The recommendations reflect an expectation that a security will perform against its reference market and within a given time frame. This behavior can be explained by the company's core value, but also by other factors. The calculation of the realized fundamental value is based on a combination of one or more methodologies generally accepted in financial analysis, which may include, but are not limited to, multiple analysis, discounted cash flows, piecemeal analysis, or any other that applies to the particular case being analyzed. Notwithstanding the above, other factors could have more weight, including the flow of news, earnings timing, mergers and acquisitions, market appetite for a certain sector, among others; These factors may lead to a recommendation opposite to that indicated only by the fundamental value and its direct comparison with the price.

Our recommendation policy covers the following scenarios: Purchase. - When the expected return of the stock exceeds the expected return of the IPyC by more than 5%; Hold.- When the expected return of the stock is between $\pm 5\%$ of the expected return of the IPyC; Sale.- When the expected return of the share is more than 5% lower than the expected return of the IPyC.

This document was prepared by Monex with public information obtained from sources considered to be reliable, however, there is no guarantee, explicit or implied, of its reliability, so Monex does not offer any guarantee as to its accuracy or completeness. An investor who has access to this document should be aware that the securities, instruments or investments referred to herein may not be suitable for his or her specific investment objectives, financial position or risk profile. The content of this message does not constitute an offer, invitation or solicitation by Monex to buy, sell or subscribe for any kind of securities or to carry out specific transactions. Monex does not assume, nor will it assume, any obligation arising from the content of this document, so that no third party may allege any damage, loss, loss or impairment in its assets derived from investment decisions based on this document. The opinions expressed herein represent only the opinion of the analyst and do not represent the opinion of Monex or its officers. Employees of the promotional, operational, managerial or other professional areas of Monex may provide market comments, verbally or in writing, to clients that reflect opinions contrary to those expressed herein. In addition, Monex or any of its promoters, operators, affiliates or related persons may make investment decisions inconsistent with the opinions expressed herein.