

January 10th, 2025

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EMPLOYMENT IN THE US, LOWER PROBABILITY OF FED CUTS...

- At the opening of the American session, the Mexican peso falls significantly and is positioned in 4th place among the currencies of emerging countries that present the greatest losses against the dollar. Today, the exchange rate started the session on the rise, after evaluating the weak industrial production data in Mexico, but it shot up sharply after the publication of employment data in the US, considering a more restrictive narrative by the FED.
- The dollar, measured through the DXY index, strengthens to find a maximum at the 109.96 mark thanks to the surprising non-farm payrolls report in December. Under the previous context, market expectations regarding the next adjustment of the FED's monetary policy were readjusted, showing a probability of 56% for a first cut until the June meeting.
- In the US, the December non-farm payrolls report showed a surprise increase to 256 thousand from 212 thousand previously and exceeded estimates of a decline to 160 thousand. The sectors that showed the greatest growth were health care, government and social assistance, reflecting a solid labor market.
- The US unemployment rate fell in December to 4.1% from 4.2% recorded in the previous month, in line with market expectations. The labor participation rate was 62.5%, remaining unchanged, while the employment/population ratio increased to 60%.

USD/MXN



Fuente: Refinitiv

USD/MXN SPOT

During the overnight session, the price reached a minimum of \$20.48 and a maximum of \$20.51 units. For today we estimate a **fluctuation range between \$20.46 and \$20.70 pesos per dollar**, considering support levels at \$20.43 and resistance at \$20.73.

Mexico's industrial production fell to -1.4% during November, advancing compared to the previous drop of -2.1% and aligning with market consensus. The reading implied the fourth month of consecutive contractions, affected by lower dynamism in the mining, construction and manufacturing sectors.

EURO/USD SPOT

For today we estimate a **trading range between \$1.023 and \$1.028 dollars per euro**, considering support levels at \$1.021 and resistance levels at \$1.031 units.

USD/MXN: Technical Indicators of the previous session

Bullish and Bearish Fluctuation Levels (Intra-Day)							
Range for Buyers	20.37	-0.7%	Range for Sellers		20.60	0.4%	
	20.43	-0.4%			20.65	0.7%	
Change (%)	Open	High	Low	Close	Daily Difference (5 days)		
Day 0.5	20.40	20.52	20.39	20.51	High (cents)	-19.23	
Week -0.5	0.35%	-0.02%	0.37%	0.55%	Low (cents)	26.62	
Acum. M 1.7	1 week		4 Weeks		52 Weeks		
12 months 20.8	High	20.70	0.9%	20.91	1.9%	20.91	1.9%
Year 2025 -1.5	Low	20.24	-1.3%	20.02	-2.4%	16.26	-20.7%

Economic Calendar

Hour	Currency	Event	Current	Forecast	Prior
01:45	EUR	France Industrial Production (MoM) (Nov)	0.2%	-0.1%	-0.1%
01:45	EUR	France's Industrial Production (Yearly) (Nov)	-1.1%	-1.3%	-0.6%
01:45	EUR	France Manufacturing Production (MoM) (Nov)	0.2%	--	0.0%
01:45	EUR	France's Manufacturing Production (Year-on-Year) (Nov)	-1.5%	--	-1.4%
06:00	BRL	Consumer Inflation (Annual) (Dec)	4.8%	4.8%	4.9%
06:00	BRL	Consumer Inflation (MoM) (Dec)	0.5%	0.5%	0.4%
06:00	MXN	Industrial Production (annual) (Nov)	-1.4%	-1.4%	-2.2%
06:00	MXN	Manufacturing Production (annual) (Nov)	-0.2%	-0.6%	0.5%
06:00	MXN	Industrial Production (MoM) (Nov)	0.1%	0.1%	-1.2%
07:30	USD	Nonfarm payroll (Dec)	256k	165k	227k
07:30	CAD	Unemployment rate (monthly) (Dec)	6.7%	6.9%	6.8%
07:30	USD	Average hourly wages (monthly) (Dec)	0.3%	0.3%	0.4%
07:30	USD	Average hourly wages (annual) (Dec)	3.9%	4.0%	4.0%
07:30	USD	Unemployment rate (monthly) (Dec)	4.1%	4.2%	4.2%
07:30	USD	Labor Participation Rate (MoM) (Dec)	62.5%	62.5%	62.5%
09:00	USD	Consumer Confidence University Michigan (Jan P)	--	74	74
09:00	USD	University of Michigan 1-year inflation expectations (Jan p)	--	2.8%	2.8%

Emerging Currencies Performance

		Closing		Change %			Cumulative %			
		Prior	Everyday	Weekly	Monthly	2022	2023	2024	2025	
Emerging Currencies										
Mexico	MXN	20.51	-0.5%	0.5%	-1.3%	5.3%	14.9%	-18.5%	1.5%	
Argentina	ARS	1,036.75	-0.1%	-0.5%	-2.0%	-42.0%	-78.1%	-21.6%	-0.6%	
Brazil	BRL	6.04	1.2%	1.9%	0.8%	5.4%	8.9%	-21.4%	2.3%	
Chile	CLP	1,007.20	-0.5%	-0.3%	-3.8%	0.1%	-3.5%	-11.6%	-1.1%	
China	CNY	7.33	0.0%	-0.4%	-1.0%	-7.9%	-2.8%	-2.7%	-0.4%	
Colombia	COP	4,331.89	-0.1%	1.2%	0.9%	-16.2%	25.2%	-12.0%	1.7%	
Hong Kong	HKD	7.78	0.0%	-0.1%	-0.1%	-0.1%	-0.1%	0.6%	-0.2%	
India	INR	85.86	0.0%	-0.1%	-1.3%	-10.1%	-0.6%	-2.8%	-0.3%	
Peru	PEN	3.76	0.3%	-0.3%	-1.2%	5.1%	2.7%	-1.4%	-0.2%	
Russia	RUB	102.26	2.2%	12.1%	-2.3%	1.3%	-17.1%	-21.2%	11.0%	
South Africa	ZAR	18.93	-0.1%	-1.0%	-6.1%	-6.5%	-7.2%	-2.6%	-0.5%	

Performance of Developed Currencies

		Closing		Change %			Cumulative %			
		Prior	Everyday	Weekly	Monthly	2021	2022	2023	2024	
Developed Currencies										
Dollar Index	DXY	109.16	0.1%	-0.2%	2.8%	8.2%	-2.1%	7.1%	0.6%	
Australia	AUD	0.62	-0.3%	-0.1%	-3.8%	-6.2%	0.0%	-9.2%	0.1%	
Canada	CAD	1.44	-0.1%	0.1%	-1.6%	-6.8%	2.3%	-7.9%	-0.1%	
Denmark	DKK	7.24	-0.2%	0.3%	-2.5%	-5.9%	2.9%	-6.2%	-0.6%	
Euro	EUR	1.03	-0.2%	0.3%	-2.4%	-5.8%	3.1%	-6.2%	-0.5%	
Japan	JPY	158.14	0.1%	-0.4%	-4.4%	-12.2%	-7.0%	-10.3%	-0.6%	
Norway	NOK	11.39	0.1%	0.0%	-2.4%	-10.1%	-3.6%	-10.7%	-0.1%	
New Zealand	NZD	0.56	-0.2%	0.1%	-4.5%	-7.0%	-0.5%	-11.5%	0.1%	
United Kingdom	GBP	1.23	-0.4%	-0.6%	-3.5%	-10.7%	5.4%	-1.7%	-1.7%	
Sweden	SEK	11.16	0.0%	0.0%	-2.2%	-13.2%	3.5%	-9.0%	-0.8%	
Switzerland	CHF	0.91	-0.1%	0.0%	-3.6%	-1.3%	9.9%	-7.3%	-0.5%	

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