MIRANDA INTELLIGENCE

Mexico Fintech Chatter – May 18, 2026

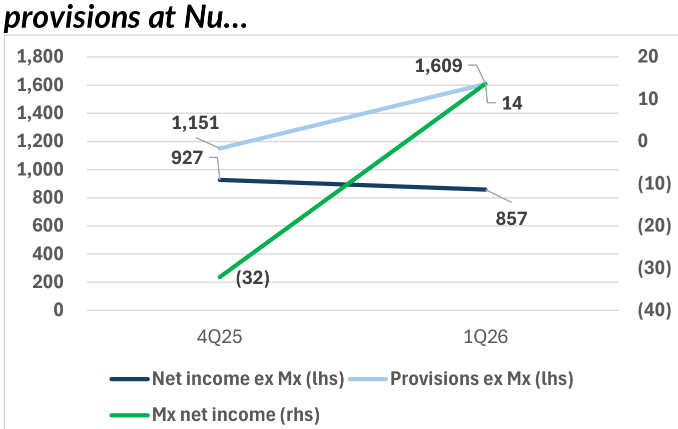
Mexico FinTech News

Improvements in Mexico Little Help for Nubank as Brazil Macro Concerns Mount

Nubank reported solid top-line growth in 1Q26 – perhaps a little too strong for investors' tastes as Brazilian macro trends mount. Total revenues were up an impressive 42% YoY in local currency, but the focus was on the 5% QoQ decline in net income, despite the welcome news Mexican operations reached profitability in 1Q26. The main culprit was the surge in provisions, which rose by 40% sequentially, or close to half a billion dollars. The stock fell close to 6% after reporting, extending its correction since its late January high to -35%, closely mirroring the other LatAm tech giant, MercadoLibre (maybe 60% ecommerce and 40% fintech these days).

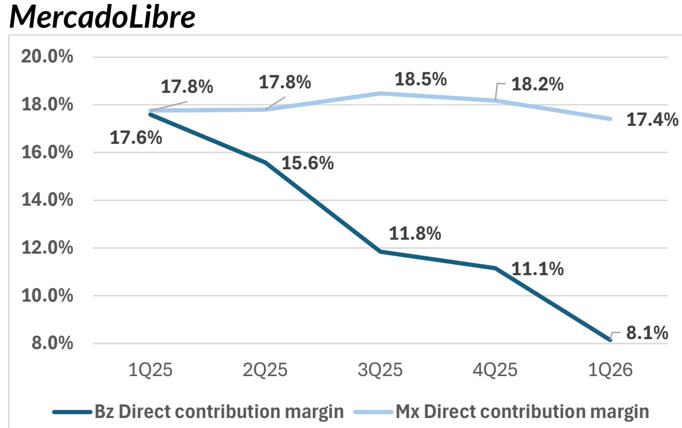
Not surprisingly, operating trends for Nu and MELI are similar, with resiliency in Mexico more than offset by weaker margins in Brazil, a much larger market for both companies. According to Nubank, the rise in provisions was driven by seasonality, portfolio growth and a riskier mix; furthermore, the company disclosed it added close to 3 mm new customers in Brazil, another impressive performance. Meanwhile, MercadoLibre has seen its Brazilian margin erode, driven by initiatives such as a lower threshold for free shipping, and higher provisions related to strong fintech revenue growth (Brazilian credit revenues rose by 89%; the company does not disclose provisions by geography). Mercado Pago is also being affected by a credit hangover in Argentina – see below.

Profitability in Mexico offset by surge in Brazilian provisions at Nu…



Source: Nu, CNBV, Miranda Partners. Figures in USD mn.

…with growth investments also weighing down at MercadoLibre

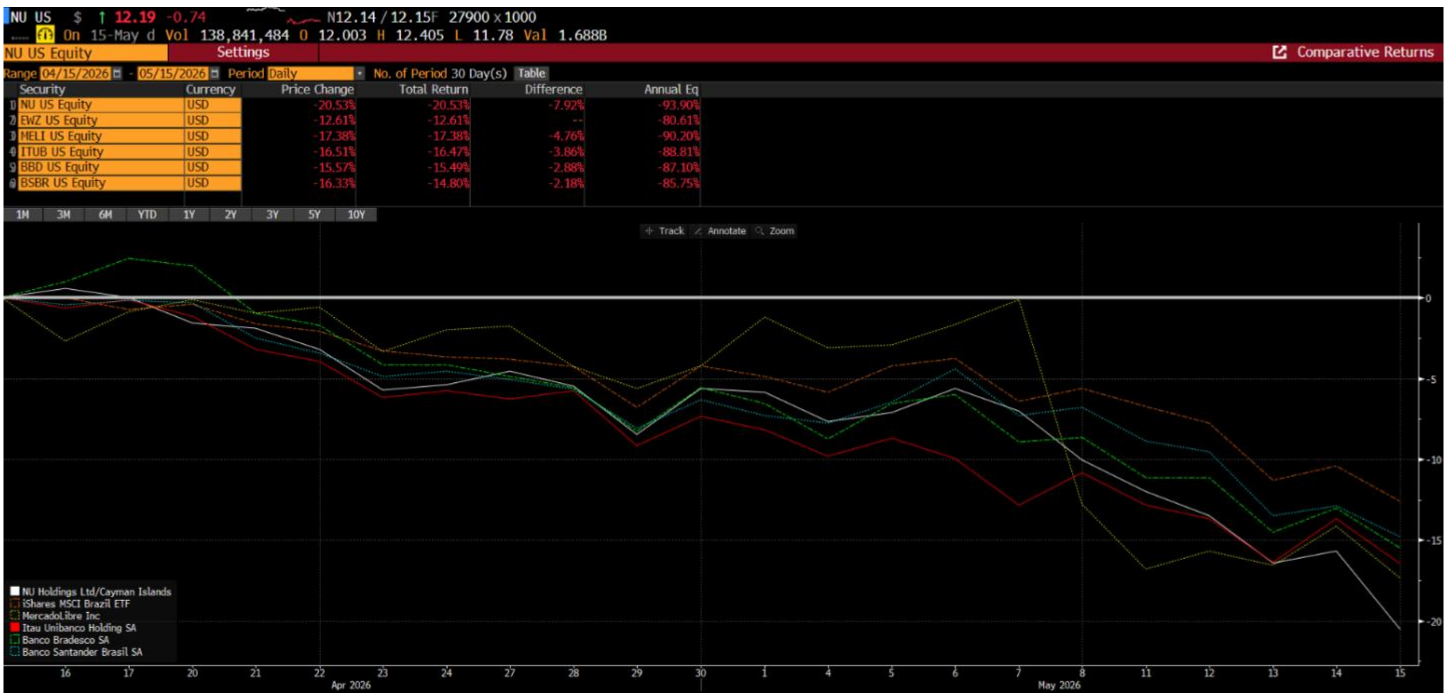


Source: MercadoLibre, Miranda Partners.

Both companies, along with bullish sell-side analysts, point out that the current decline in margins reflects the forward-looking nature of provisions: accounting standards require them to book allowances to cover *expected* losses before loans deteriorate. We agree this is an important point, but don't believe there is actually much confusion going around: most investors are in fact aware of this accounting issue, they're simply wary of the strong pace of growth at this point in the credit cycle. They might be wrong, but they are likely not ignorant of basic bank accounting.

Compounding this, we would further note the sharp deterioration in overall sentiment towards Brazil (and Argentina) credit over the past month, hurt by negative political and macro news in both countries. Back in late March, we argued it was mostly a fintech issue, and while the market is still in positive territory YTD (+14% for the MSCI Brazil Index, or +10% for banking giant Itau, both in dollar terms), the correction over the past month has been notable: tech still lead monthly losses (-21% for Nu and -17% for MELI), but both the country index and the major legacy banks had double-digit declines, as the political situation has added volatility to financial markets. YTD, Nu is down 27%, while MELI has declined by 23%.

Mensis horribilis **for Brazilian equities compounds challenges for fintechs**



Source: Bloomberg.

Indeed there seems to be an interesting disconnect between public and private markets when it comes to LatAm FinTechs right now. In public markets recent performance of Nu, Mercado Libre, PicPay, Agibank, has been sharply on the negative side, as the graph shows. Meanwhile private fintechs, like Plata and before that ARQ, Uala, Pomelo, TAPI, have still been able to raise money at attractive valuations. Bulls will argue that public investors are irrationally pessimistic, bears that private investors are naively optimistic and everyone else that it is a mistake to generalise when each company's outlook is so different.

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Bloomberg, 14/05/26, Matheus Piovesana and Maria Clara Cobo: Nubank Profit Falls Short of Estimates as Costs Increase.

If at first you don't succeed… Banorte to try its luck at being a fintech, again

Banorte announced the launch of its new fintech bet, *Va*, a stand-alone app that offers debit and payroll accounts, as well as credit cards; it operates as part of Banorte, as the bank continues to move forward with the sale of Bineo to Klar. While the strategy of operating a separate FinTech brand alongside a well-known franchise with nationwide presence continues to surprise us somewhat (we continue to prefer BBVA's approach of one brand), at least this time around there will be no need to request another full license, nor manage a separate cost and risk structure.

Expansión, 12/05/26, Luz Elena Marcos: After Losing MXN 1.3 bn with Bineo, Banorte Bets on New Platform VA.

Bunq Applies for Mexican Banking License

Dutch neobank Bunq applied for a banking license in Mexico, aiming to offer multicurrency accounts and IPAB-insured deposits to customers who live, work, and move money across borders. The move follows Bunq's recent US license filings, and adds another global fintech to Mexico's fast-growing digital banking market. Bunq will join a long list of international fintech players operating in Mexico, including Nu, Revolut, Mercado Pago and Plata, where they compete for digitally connected users, remittance flows, and international customers. As digital nomads, expats and foreign retirees resident in Mexico 1) amount to maybe 1%-2% of the Mexican population, 2) often do not have Mexican legal or tax IDs (CURPs or RFCs) and thus cannot open a full Mexican bank, it's unlikely they can sustain the costs of running a regulated bank even if (as is improbable) Bunq's market share of such clients was exceptionally high, so it is not entirely clear what the business model really is, but no doubt Bunq has thought this all through.

Bloomberg, 13/05/26, Maria Clara Cobo: Bunq Applies for Mexican Banking License in Global Expansion Push.

Aplazo Expands BNPL Push Into Grocery Retail With Soriana

Aplazo is partnerning with Soriana to roll out BNPL across 771 stores and digital channels, following Aplazo's existing Walmart partnership. The announcement comes shortly after Kueski Pay integrated with Chedraui, signaling that Mexico's largest retailers are increasingly turning BNPL into a mainstream payment option for daily consumption, not just discretionary purchases, but using the balance sheet of third parties.

FintechExpert, 14/05/26, Zalo Sánchez: BNPL in Supermarkets: Aplazo, Soriana, and the New Competition.

Additional reading…

- CNBV Reaffirmed That Banks Cannot Operate with Bitcoin in Mexico.
- Mercado Pago App Leads Mexico's Financial Sector.

- [Farmacias del Ahorro Launches Marketplace to Compete Against Amazon and Mercado Libre].
- [Stori and Cursor Transform Digital Banking in Mexico and Nuevo León].

LatAm FinTech News

Argentina's Consumer Credit Boom Starts to Crack

Bloomberg highlighted that household delinquency in Argentina surged to 11.5% of loans in March from 2.6% at the end of 2024, pressuring the banks and fintechs that ramped up lending during Milei's economic stabilization. Ualá received a US$197 mn capital injection after delinquency hit nearly 40%, while Carrefour's financial arm topped 49% and consumer lender Efectivo Sí remained near 39%. (This may explain why Uala has been so cautious about expanding credit in Mexico, despite its recent fund raising to do in part just that.) Falling inflation, high real rates, and weaker disposable income are exposing borrowers who previously relied on inflation to dilute debt. Banks are now raising provisions, restructuring loans, and cutting costs as stress spreads across the consumer lending market.
Bloomberg, 14/05/26, Ignacio Olivera Doll: Household Defaults Shake Argentina's Banks and Fintechs in Blow to Milei.

dLocal stock craters on earnings miss and margin compression, despite strong volume growth

dLocal's first-quarter results highlighted strong payment-volume growth alongside continued pressure on margins. The stock fell roughly 20 per cent over the week, suggesting investors remain unconvinced that growth alone will translate into sustained profitability even if fintech bulls were enthusiastic. (*Connecting the Dots in Fintech* "Hey FinTech Fanatic! dLocal delivered another blockbuster volume quarter on its Q1 2026 Financial Results.")

Operationally total payment volume rose 73 per cent year-on-year to a record US$14.1bn, while revenue increased 55 per cent to US$336mn. Gross profit grew 40 per cent to US$119mn. Africa, Asia, Argentina and Mexico performed strongly. However, investor attention remains focused on take-rate compression. Gross profit take rate declined further to 0.84 per cent from 1.05 per cent a year earlier, reflecting a shift toward lower-margin flows such as Pix in Brazil, higher volumes from large merchants and growth in local-to-local transactions. Management argued the pressure reflected mix rather than competitive weakness, but the trend reinforces concerns that dLocal is processing substantially more volume while earning less on each transaction.

Brazil was a weak point. Revenues there fell 14 per cent quarter-on-quarter, while gross profit declined 20 per cent, affected by seasonality, lower instalment volumes and Pix adoption. Costs also remained elevated. Operating expenses excluding depreciation and amortisation rose more than 50 per cent year-on-year, contributing to margin compression. Management reiterated that 2026 would remain an investment year, although it also outlined measures to tighten hiring and discretionary spending.

Reported net income fell 25 per cent quarter-on-quarter, partly due to an unexpected US$9.7mn one-off tax adjustment tied to prior periods.

dLocal 1Q26 earnings call highlights.

Yape Expands Cross-Border Remittances to Argentina, Mexico, Chile, and Italy
Peruvian superapp Yape expanded its remittance network by enabling transfers to Mercado Pago in Argentina and adding Chile, Mexico, and Italy as new destinations, bringing its total coverage to eight countries. The company said Peru sends more than PEN 263 mn in remittances monthly across 238,000 transactions, highlighting the growing demand for low-cost cross-border payments. Since launching remittances, Yape has processed more than PEN 65 mn in international transfers and, in Mexico, funds can be received through banks including Banco Azteca.
Latam Fintech Hub, 13/05/26, Staff: Yape Accelerates Regional Expansion with Remittances from Peru to Mercado Pago in Argentina and Transfers to Chile and Mexico.

Brazil Approves PicPay's Kovr Acquisition as Expands Into Insurance
Brazil's antitrust regulator Cade approved PicPay's acquisition of insurer Kovr without restrictions, clearing a key step in the digital bank's expansion following its recent US IPO. PicPay said the deal will add recurring revenue streams through insurance, brokerage, and pension products, helping diversify beyond traditional banking. The approval still depends on Brazil's central bank and insurance regulator, while Cade separately continues a confidential investigation into possible "gun jumping" tied to the transaction.
Latam Fintech Hub, 13/05/26, Staff: Brazil's CADE Approves PicPay's Acquisition of Insurer Kovr.

Brazilian Wealthtech Franq Raises US$12.4 mn to Scale AI-Powered Banker Platform
Brazilian wealthtech Franq raised US$12.4 mn in a Series B to expand its platform for independent bankers and accelerate AI automation across operations and client servicing. The company originated US$423 mn in 2025 and expects roughly US$705 mn this year, growing around 80% annually. Franq connects more than 10,000 financial professionals to over 150 products from 50 banks and fintechs, betting that independent advisors- not bank branches- will drive the next phase of financial distribution in Brazil.
Latam Fintech Hub, 11/05/26, Staff: Brazilian Fintech Franq Raises US$12.4 mn Series B to Expand Platform for Independent Bankers.

Additional reading…

- Fintech Unicorn Jeeves Lands in Argentina to Scale Stablecoin-Based Corporate Payments.
- Brazilian Fintech Beepay Raises US$400K to Expand Autonomous Payments Technology for Retail.
- Bitso Obtains El Salvador License to Issue Peso-Backed Stablecoin.
- Tether-Backed Oobit Expands Crypto Payments to Colombia.

Global FinTech News

Clarity Act in US Senate advances briefly boosting crypto stocks

The U.S. Senate Banking Committee last week voted 15-9 to advance the Digital Asset Market CLARITY Act, marking an important legislative step toward a strengthened regulatory framework for cryptocurrencies in the United States. The bill, which now moves toward a full Senate vote, seeks to clarify when digital assets fall under SEC or CFTC oversight, create rules for digital asset exchanges, brokers, dealers and other intermediaries, and introduce disclosure, conduct, anti-fraud, anti-money-laundering and cybersecurity-related standards. For Latin American fintechs and crypto platforms a clearer U.S. framework could further accelerate institutional adoption and cross-border digital payments.

Reuters, 14/05/26, Hannah Lang: US Senate Committee Advances Crypto Bill in Milestone for Digital Assets.

BBVA Joins OpenAI's New Enterprise AI Venture

BBVA became a founding shareholder in OpenAI Deployment Company, a new OpenAI subsidiary focused on helping enterprises integrate AI into their operations. The venture launched with US$4 bn in initial funding and includes investors such as TPG, Bain Capital, Brookfield, Goldman Sachs, and SoftBank. OpenAI will keep majority control and is also acquiring AI engineering firm Tomoro to accelerate deployment capabilities.

El Español, 11/05/26, L. Broche: BBVA Becomes Shareholder in Deployment Company, a New OpenAI Subsidiary.

Wise Starts Trading on Nasdaq to Deepen US Expansion

UK fintech Wise began trading on Nasdaq under the ticker WSE as it pushes deeper into the US market and looks for greater liquidity and investor access than London can provide. The company reported preliminary annual revenue of US$2.5 bn, up 19% YoY, while customer balances rose 40% to US$39 bn. Wise is also expanding its infrastructure business for banks, counts Morgan Stanley as a major client, and has applied for a US national trust bank license to connect directly to Federal Reserve payment rails.

Bloomberg, 11/05/26, Aisha S Gani: Wise Makes US Trading Debut with Dual Listing.

Klarna Returns to Profit as BNPL Demand Keeps Growing

Klarna posted US$17 mn in operating profit in 1Q26, reversing a US$90 mn loss a year earlier, as revenue rose 44% to US$1 bn and active users grew 21% to 119 million. The company said it is putting more focus on profitability after investors pushed back on its growth-at-all-costs strategy following its

IPO. Gross merchandise volume rose 33% to US$33.7 bn, driven largely by US growth, though weaker-than-expected 2Q guidance signaled slowing growth.
Reuters, 14/05/26, Supantha Mukherjee: Klarna Posts Profit and Revenue Above Estimates; Shares Jump.

Ramp Eyes US$40 bn+ Valuation as Enterprise Finance Push Accelerates

Ramp is reportedly raising US$750 mn at a valuation above US$40 bn, up from US$32 bn, as investors continue backing AI-driven finance infrastructure. The company surpassed US$1 bn in annualized revenue in 2025 and is expanding rapidly from corporate cards into higher-value enterprise workflows like procurement, treasury, accounting automation, and bill payments.
Tech Funding News, 08/05/26, Abhinaya Prabhu: Ramp in Talks to Raise US$750 mn at Over US$40 bn Valuation.

Additional reading…

- Revolut Wins UK Approval to Broaden Investment Services for Clients.
- Ripple Secures US$200 mn Debt Facility from Neuberger.

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