MIRANDA INTELLIGENCE

Mexico Fintech Chatter – August 17, 2026

Mexico FinTech News

Nubank's quarterly net income roars past US$1 bn; Mexico helps – and gets more airtime on call

Nubank reported consolidated results for the 2Q26, with net income surpassing the US$1 bn mark for the first time in the company's history, topping sell-side expectations. After a rougher first quarter, the sharp improvement in the risk-adjusted NIM was the biggest surprise of the second quarter, which, even when accounting for the contribution from Mexico and Brazil's *Desenrola* debt-relief program, still pointed to solid trends in the company's main market. "We feel pretty confident that we'll able to keep risk-adjusted net interest margin in the same ballpark as right now, around 12%", incoming CFO Rob Livingston told Bloomberg, encouragingly (and somewhat unusually, for a company that does not provide guidance). Shares surged 9% on Friday, slightly trimming gains after rising as much as 16%, closing above US$15 for the first time since early March.

Results in Mexico (disclosed earlier), while still a relatively small part of the consolidated figures (at US$7.2 mn, Mexico's net income was less than 1% of the total), were nonetheless a relevant driver in the YoY improvement: the Mexican operation had a net loss of ~US$41 mn. Given this marked turnaround, and the recent authorization to start operations as a licensed bank, management were happy to spend a longer time than usual discussing the country's outlook on the quarterly earnings call, recognizing as one of its three core markets and describing it as one of the company's most compelling long-term growth opportunities.

Management characterized the bank license as completing Nu Mexico's transformation from a credit-first fintech into a full-scale digital bank; the license opens capabilities that were unavailable to it while it operated as a Sofipo, most notably payroll accounts (and with them, the ability to offer payroll loans), which can strengthen primary banking relationships and engagement, while reducing credit risk. Higher deposit insurance is an additional benefit, though, if anything, the company has had to contend with *too many* deposits; a broader range of credit products and customer segments should help the company put those funds to more productive use.

Nu says it currently reaches 16.5% of Mexico's adult population, approximately the same penetration level it had in Brazil in 2020. However, management said Mexican customers are monetizing faster. At the equivalent stage of development, the company says ARPAC in Mexico is $12.3 versus $5.6 in Brazil. Nu attributed this difference to higher Mexican income per capita, stronger credit-card unit economics, higher interest-earning balances and a lower cost to serve. This faster monetization helped Nu break even in Mexico after six years, compared with eight years in Brazil. Management described Mexico as essentially the Brazil playbook running faster, supported by Nu's current scale and technology infrastructure.

Management sees significant runway because Mexico remains relatively early in digital financial adoption. Bank-account penetration has increased from 44% to 63% over the past decade, yet 85% of Mexicans still prefer paying with cash. Management also highlighted new central-bank rules intended to standardize the user experience across payment rails, which Nu believes could accelerate digital adoption, even that will make it more difficult for digital banks like Nu and Revolut to stand out.

Looking further ahead, management said Mexico could eventually become a business worth 60%-70% of Brazil, and potentially as large as Brazil if digital-payment adoption accelerates substantially. Mexico has a smaller population but approximately 30% higher income per capita. And Mexico will benefit from the technological, data modelling and AI advances already made in Brazil. (For example, Nubank's proprietary AI underwriting model, NuFormer, is already live for Mexican credit cards).

That all said, there was a tone of caution regarding Mexico near-term future results in calls with some analysts and investors. Management expects to increase marketing and product investments in Mexico following the banking license approval. However, apparently investors should not expect an immediate acceleration in loan growth as the company estimates it will take a year or more before the full growth potential of the Mexican franchise becomes visible. With costs going up and loan growth not accelerating for now, Mexico could dip back into net losses.

Meanwhile, Livia Chanes, Nubank's newly appointed CEO for Latin America, gave an exclusive interview to Whitepaper that reinforced many of the messages from the earnings call, while adding more color on the company's approach to Mexico. Chanes described Brazil as an "older sibling" whose experience, technology and product development can now be used to accelerate growth in Mexico and Colombia. In Mexico specifically, she said the recent banking license marks the start of a new phase, allowing Nu to broaden its product suite and deepen its role as customers' primary bank. She also explained that the relatively small loan book versus deposits reflects a deliberate "low and grow" credit strategy: Nu initially extends limited credit, observes repayment and transaction behavior, and increases exposure as its models gain confidence. While the mass market remains the core opportunity, Chanes also indicated that Nu is looking further up the income spectrum, reflecting the experience in Brazil where customers increasingly demanded better cards, richer benefits and more sophisticated products as their financial needs evolved; when pressed specifically on affluent customers, she said Nu is "looking at all customers" and confirmed that the segment is on its radar, without revealing its next product move. Chanes stressed that profitability will not come at the expense of attractive growth opportunities, saying Nu would "never sacrifice good growth for profitability in the short term." And while acknowledging increasingly intense competition from players such as Plata and Revolut, she said Nubank intends to remain focused on customers rather than react irrationally to competitors, although it is prepared to increase investment where necessary to protect its path to market leadership.

Bloomberg, 8/14/26, Matheus Piovesana: Nubank Shares Jump Most in a Year as Profit Tops $1 Billion.
Whitepaper Nu LatAm CEO Interview

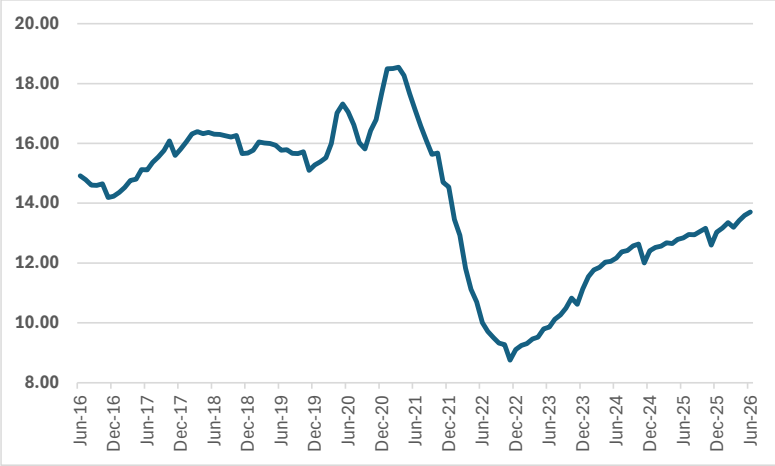
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Are concerns around Mexican credit card asset quality overblown? It could be better, but it's not time to panic

Over the week, several reports (including from El Financiero and El Universal) highlighted the "surge" in non-performing loans, particularly related to credit cards. According to CNBV data, the adjusted NPL ratio (which takes into account write-offs for the past twelve months) for the entire banking system credit card portfolio has indeed deteriorated over the past months, reaching 13.7% in June, up strongly since its recent low of 8.8% in November 2021. However, we would highlight five factors that put this figure into perspective:

1. **It's the natural evolution of the cycle.** Yes, 13.7% is more than 50% higher than 8.8%, but it's still below the pandemic-era high of 18.6% of March 2021. In fact, taking a longer term view, one could argue the ratio is returning to its more natural level above 10%, as CNBV figures show.

Evolution of the adjusted NPL ratio of the banking system's credit card portfolio



Source: CNBV, Miranda Partners. Figures in percentage points.

2. **Traditional banks' credit cards have a much better asset quality than fintechs, (and lower RoAs to reflect that).** This is a clear result of the challengers' pursuit of unbanked (and thus, for the most part, lower income) clients who face much higher interest rates to reflect that risk. The adjusted NPL ratio for the three largest fintech Sofipos, Nu, Stori and Klar, stood at 20.1%, 33.8% and 31.1%, respectively. A year ago, Banxico took the unusual step of urging Sofipos to "exercise caution" in their issuances; the Central Bank has taken no such step with licensed banks.
3. **Banks' much greater diversification provides a further credit quality buffer.** The large fintech challengers are virtually mono-product, for the most part offering only credit cards. Meanwhile, credit cards represented only 9% of the total system portfolio as of June; business loans, which have a much better credit quality (adjusted NPL of 1.6%), represented 48% of the total portfolio. This explains in part why fintech challengers seek bank licenses: payroll loans, for example, had

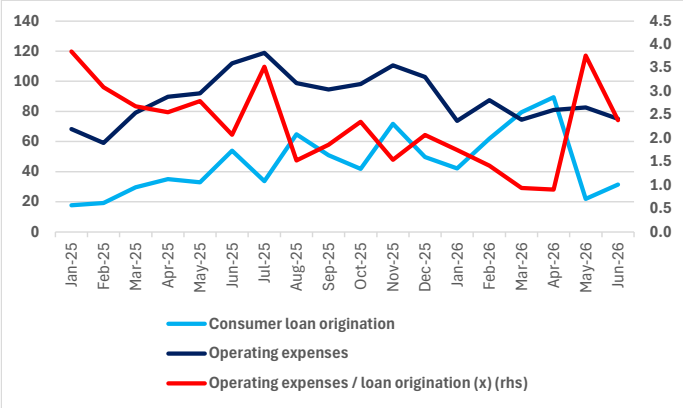
an adjusted NPL ratio of 10.5% as of June. Simply put, the more an institution knows about a customer, the better its underwriting will tend to be.

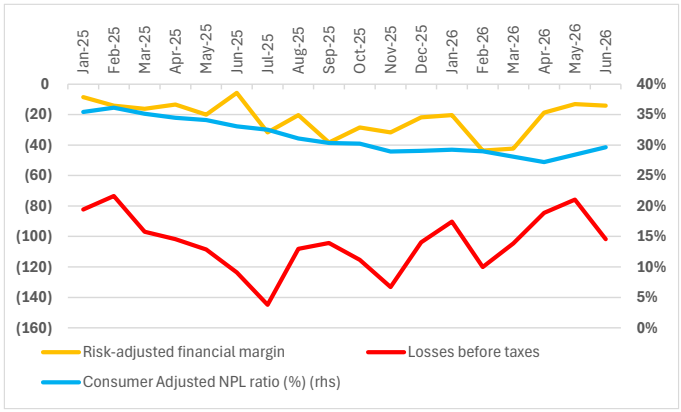
4. **In response to competition from fintechs, perhaps banks are deliberately taking more risk**, seeing that risk-adjusted NIMs are still attractive even with these higher NPLs. In other words, banks were being too conservative before, leaving profits on the table, and giving an easy entry to the fintechs. BBVA in particular has discussed its strategy to defend and grow its market share amid the fintech threat.
5. **And yes, there is a lot more credit card debt in the system,** and the economy is barely growing, so it's logical to see an increase in NPLs. The total credit card balance in the banking system stood at MXN 735 bn as of June, up 45% in just three years for a CAGR of 13%, from MXN 508 bn in June 2023, when the adjusted NPL stood at 9.9%.

Ualá reported to face challenges in Mexico (and Argentina)

Licensed neobank Ualá also gathered its share of negative news flow this week, both in Argentina and in Mexico. Beyond the high NPLs and negative risk-adjusted financial margin that perhaps will be corrected over time, since 2025, well after it secured the CNBV's authorization to acquire Banco ABC, the company has consistently and remarkably had higher monthly operating expenses than net loan origination in its core consumer book (i.e., the amount it grows the consumer portfolio each month). This ratio has averaged 1.93x over the past 18 months, as Ualá grew its consumer portfolio by just MXN 828 mn while spending MXN 1.6 bn; for context, Plata, which has higher-than-average expenses for a fintech, averaged 0.91x over the same period (growing its portfolio by MXN 11.5 bn while spending MXN 10.4 bn, which included the expenses related to its license request), and Nu Mexico averaged 0.45x (growing its portfolio by MXN 16.4 bn and spending MXN 7.4 bn, also including expenses related to its bank license request).

Thus, Ualá has consistently accumulated losses over the past months; in fact, in the past year and a half, it has yet to achieve a single month with positive risk-adjusted financial margin (as its adjusted NPL ratio has hovered around 30%), or profits before taxes. Banking, be it legacy or tech-enabled, is clearly a scale industry, which Ualá has failed to achieve, despite its significant time advantage (it is licensed since May 2023) and the great success it has had raising funds from international investors. No doubt the company has a strategy to turn around and grow the Mexico operations into a scalable and profitable business, but from the outside, it is hard to see what it is.





Source: CNBV, Miranda Partners. Figures in MXN mn.

Additional reading…

- Belvo launches MCP servers for agentic open finance.

LatAm FinTech News

International Pix? Brazil's central bank is looking at options

Brazil's central bank is studying connecting its popular instant payment system Pix and similar platforms abroad, showing defiance amid scrutiny from the US government, which bizarrely sees it as an unfair practice (maybe explained by apparent anti-Pix lobbying from VISA that might be worried that commission-free payments takes off around the world). The central bank told Reuters last month that it had signed information-sharing agreements on Pix with 65 other countries, including Germany, Canada, South Africa and Turkey

Reuters, 8/10/26, Marcela Ayres: Brazil central bank eyes expansion for Pix payment system as US trade scrutiny intensifies.

Yuno raises funds from A-list investors for payments infra

Colombian fintech Yuno raised $45 million in a Series B round. The round was led by Global PayTech Ventures, with participation from Andreessen Horowitz, Tiger Global and QuantumLight Capital, Revolut CEO Nik Storonsky's VC firm. The startup helps companies process transactions across different markets, providing a single API that connects businesses to multiple payment methods, card processors, and fraud detection services. The company is on track to process $100 billion in annual transaction volume within the next 12 months, serving customers including McDonald's, NetEase Games, GoFundMe, inDrive, and Rappi.

Bloomberg, 8/12/26, María Clara Cobo: Andreessen Horowitz, Tiger Global Back Yuno's $45 Million Round.

dLocal's explosive payment volumes fail to lift shares as margins compress.

Uruguayan fintech dLocal reported a near-doubling of total payment volume in the second quarter, yet investors remain surprisingly unimpressed, with the shares staying near $15 and falling the day after the strong results were posted. The company, which provides cross-border payment infrastructure for global merchants operating in emerging markets, processed $17.7 billion in total payment volume (TPV) in the three months to June 30, up 92 per cent from a year earlier and 26 per cent sequentially. That marked the strongest year-on-year growth since early 2022 and the seventh consecutive quarter of expansion above 50 per cent. Revenue rose 56 per cent to roughly $400 million, while gross profit hit a record $127 million, up 29 per cent. Operating profit, however, advanced more modestly as margins slipped, climbing 15 per cent year-on-year to $64 million. The slower pace relative to the surge in TPV reflected a sharp decline in gross margin to 32 per cent from 39 per cent a year earlier. In Mexico, volumes continued to grow solidly but sequential gross profit slipped.

Management attributed the compression to a rising mix of lower-yielding local-to-local transactions (now 61 per cent of TPV) and volume ramps by large "Tier-0" merchants that triggered lower pricing tiers, particularly in ride-hailing. Net income rose 28 per cent to $55 million, or 18 cents per diluted share. Adjusted free cash flow was strong at $69 million. The company raised its full-year TPV growth guidance to 60-70 per cent and gross-profit growth to 25-30 per cent, while leaving operating-profit growth unchanged at 27.5-32.5 per cent.

Chief executive Pedro Arnt pointed to deepening relationships with more than 760 global merchants, including major ride-hailing, e-commerce and streaming platforms, and highlighted investments in AI-driven automation that he said would improve operating leverage in the second half. "What we are seeing today reflects the positive returns on the investments we have made," he said. Yet the market's muted response underscores persistent investor concerns about the sustainability of margins as dLocal scales aggressively into lower-take-rate flows and larger clients. The company faces the now familiar fintech challenge of translating hyper-growth in payments into commensurate profitability and shareholder returns.
dLocal report 2Q26 results.

Additional reading...

- Uber Invests in Chile Fintech in Push Into Motorbike Loans.
- Mastercard Offers Services to Compensate Firms Over Bank Blowup.
- Brazil's FAZ Cred raises $16M.

Global FinTech News

The OCC's latest bank approval: Trump-backed World Liberty Financial

After two high-profile denials, the US Office of the Comptroller of the Currency (OCC) announced it has granted conditional preliminary approval of World Liberty Trust Company's application for a national

trust charter. Once ultimately approved, World Liberty would be able to manage and hold assets on behalf of customers and settle payments faster; it would not generally permit deposit-taking or lending like traditional banks.

Reuters, 8/14/26, Lawrence Delevingne and Pete Schroeder: US regulator approves bank charter for Trump-backed crypto company World Liberty Financial.

Additional reading…

- JPMorgan Ended Banking Relationship With Polymarket Over Regulatory Concerns.
- Revolut cuts back WeWork access for premium customers after price rises.
- China Taps Deutsche Bank as First Foreign Yuan Clearer in Europe.
- Climate change is threatening Italy's cheese banks that hold Parmigiano wheels as loan collateral.

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