

## Dollar very close to parity with the euro

### Weekly commentary

Wall Street closed a week of upward correction, amid mixed market developments and the outlook for a possible recession. Treasuries fell in value, causing the yield curve to invert for the second time this year. However, better-than-expected U.S. employment data, the Fed minutes, which suggest that it is possible to halt inflation without affecting economic growth, and the release of the ISM index, influenced the stock market's performance during the week. The S&P 500 increased 1.94%, the Dow Jones rose 0.77% and the Nasdaq increased 4.66%.

Oil prices, on the other hand, showed a downward performance, despite a slight recovery in the last two days of the week due to the expectation of lower demand for crude oil as a result of the economic slowdown. The WTI reference closed the week at 104.9 dpb, losing 3,36%, and Brent ended with a price of 107 dpb, reducing 4,13% of its value.

US employment data presented solid results above expectations, showing that, even in the face of recession fears and interest rate hikes, the labor market remains strong. In June, the economy added 372,000 new jobs and the unemployment rate held steady for the third consecutive month at 3.6%.

Eurozone retail sales performed 2 percentage points lower than expected in May, rising 0.2% MoM although higher than April's reading of -1.4%. The food and fuel sectors fell the most by 0.3% and 0.2%, respectively, due to inflationary pressures.

In turn, the emerging economies of Brazil, Chile, Colombia and Mexico presented increases in their price indexes for the month of June. Brazil's inflation was 11.89% YoY and 0.6% MoM, Chile's was 12.5% YoY and 0.9% MoM, Colombia's was 9.67% YoY and 0.51% MoM, and Mexico's was 7.99% YoY and 0.84% MoM. Meanwhile, China had a slight increase in its price level of 2.5% YoY and 0.0% MoM.

Finally, the Central Reserve Bank of Peru decided to continue increasing its monetary policy rate by 50 bps to 6.0%. Its main motivation for this increase was rising inflation, which in June was 8.81%.

### Relevant data and events

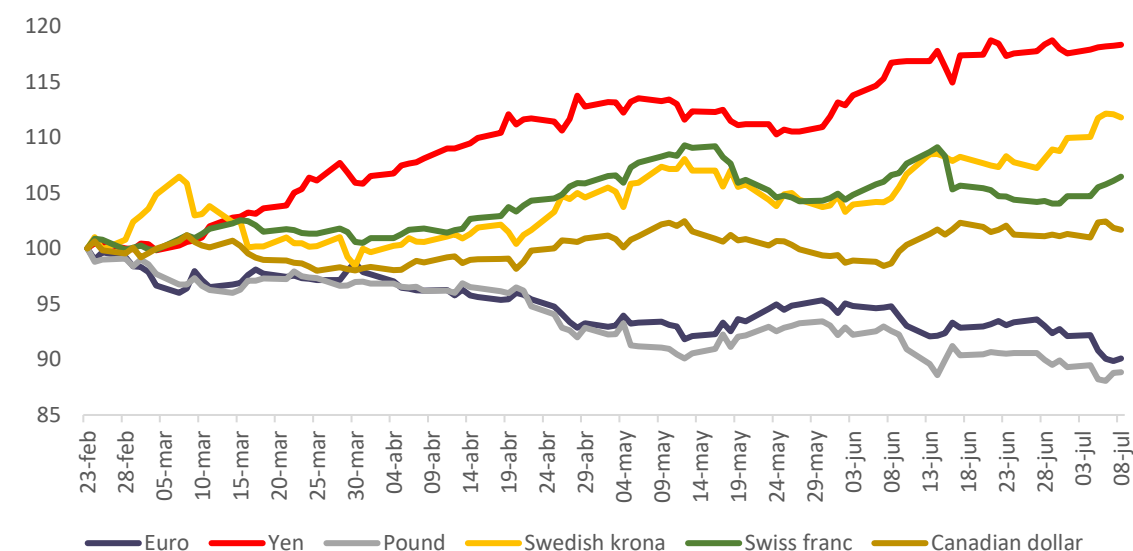
#### This week

- **U. Michigan Consumer Confidence**
- **Monetary Policy Decision** - Canada, Chile
- **CPI** - Argentina, U.S.
- **GDP** - China, Peru, U.K.
- **2Q22 Earnings report** - Pepsico, Delta, JP Morgan, Morgan Stanley, Wells Fargo, Citi, United Health Group
- **Retail Sales** - Brazil, Colombia, US, Italy.

#### Previous week

- **Unemployment** - Canada, USA, Switzerland
- **CPI** - Brazil, Colombia, Chile, China, Mexico, Switzerland
- **Fed and ECB minutes**
- **PMI** - China, UK, Euro Zone
- **Retail Sales** - Euro Zone.

### Evolution of the currencies comprising the DXY based on 100\*

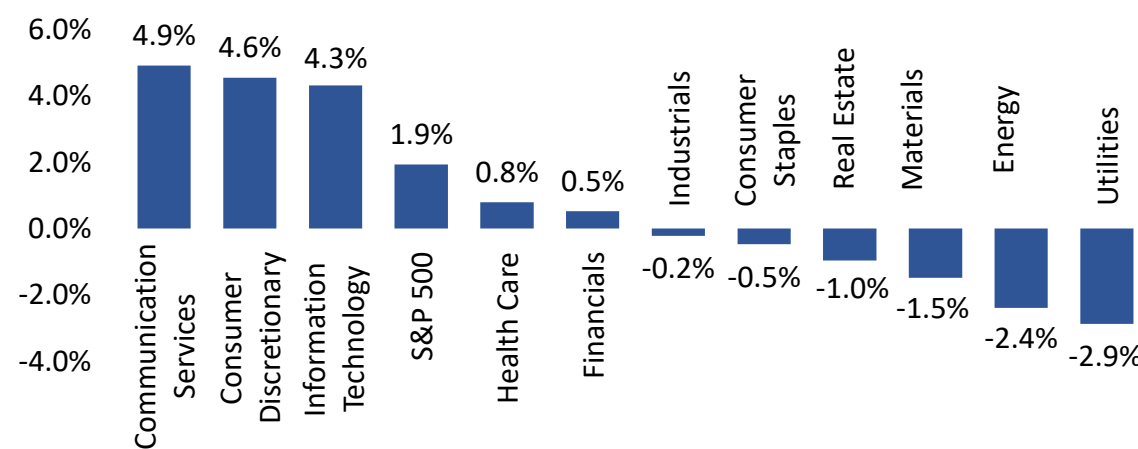


Source: Bloomberg - In On Capital Calculations. \*February 23 = 100

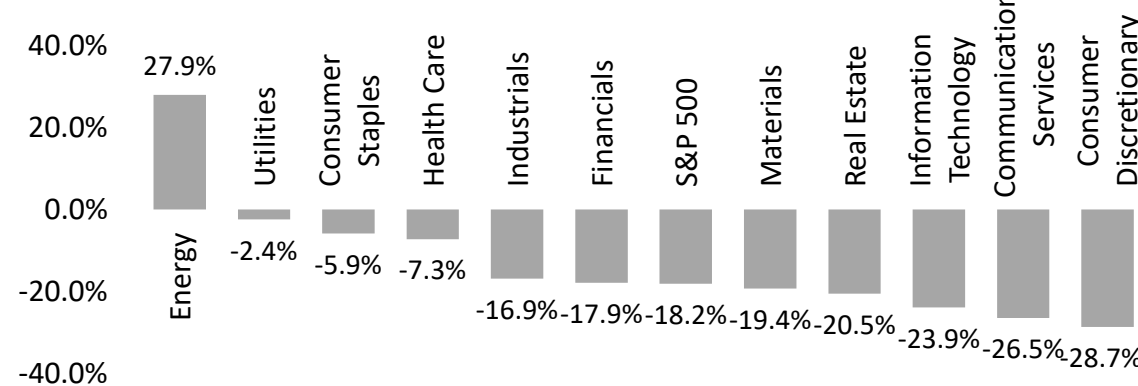
The dollar index (DXY) has remained bullish since the beginning of this month, rising 1.78% month-to-date as fears of a recession pressured investors to seek safe-haven assets to protect their capital. The euro, the most affected currency within the group of currencies that make up the index, closed lower at 1.02 USD, its lowest level in 20 years.

### Sector performance

#### Weekly



#### Annual



### In On Financial Markets Monitor

	Level	Price return (%)		Features
	07/08/2022	1 Week	YTD	Fwd P/E
<b>Equities</b>				
S&P 500	3899.38	▲ 1.94	▼ -18.19	17.00
Dow Jones 30	31338.15	▲ 0.77	▼ -13.76	16.47
Nasdaq 100	12125.69	▲ 4.66	▼ -25.70	21.59
Russell 2000	1769.37	▲ 2.41	▼ -21.20	20.63
Russell 1000 Growth	2307.19	▲ 3.74	▼ -24.97	23.10
Russell 1000 Value	1449.76	▲ 0.29	▼ -12.44	13.57
MSCI Emerging Markets	40.09	▲ 0.60	▼ -17.93	11.39
MSCI Developed & Emerging World	608.58	▲ 1.59	▼ -19.38	14.67
MSCI China	74.32	▼ -0.16	▼ -11.83	12.81
Topix - Japan	1887.43	▼ -0.64	▼ -5.27	12.12
EuroStoxx 50	3506.55	▲ 1.69	▼ -18.42	11.02
FTSE 100 - United Kingdom	7196.24	▲ 0.38	▼ -2.55	9.63

	Yield	Total return (%)	
	07/08/2022	1 Week	YTD
<b>Fixed income</b>			
U.S. Aggregate	3.79	▼ -0.87	▼ -10.59
U.S. Corporate High Yield	8.59	▲ 1.33	▼ -12.89
Global Aggregate	2.91	▼ -1.12	▼ -14.49
Global High Yield	9.32	▲ 0.03	▼ -16.68
Emerging Markets Hard Currency	5.12	▼ -1.76	▼ -22.40
Emerging Markets Local Currency	4.57	▼ -2.11	▼ -14.89

	Yield		Change in Basic Points	
	07/08/2022	12/31/2021	1 Week	YTD
<b>Interest rate</b>				
2-yr U.S. Treasuries	3.10	0.73	▲ 0.27	▲ 2.37
10-yr U.S. Treasuries	3.08	1.51	▲ 0.20	▲ 1.57
10-yr German Bund	1.34	-0.18	▲ 0.11	▲ 1.52

	Levels		Percentage change (%)	
	07/08/2022	12/31/2021	1 Week	YTD
<b>Currencies</b>				
Dolar Index	107.01	95.67	▲ 1.78	▲ 11.85
Euro	1.02	1.14	▼ -2.20	▼ -10.42
British pound	1.20	1.35	▼ -0.51	▼ -11.08
Japanese Yen	136.10	115.08	▲ 0.66	▲ 18.27
Yuan renminbi chinese	6.69	6.36	▼ -0.17	▲ 5.18
Mexican peso	20.45	20.53	▲ 0.93	▼ -0.38
Colombian peso	4420.50	4070.00	▲ 5.12	▲ 8.61

	Level	Percentage change (%)	
	07/08/2022	1 Week	YTD
<b>Commodities</b>			
Crude oil WTI	104.79	▼ -3.36	▲ 39.33
Crude oil Brent	107.02	▼ -4.13	▲ 37.59
Natural Gas	6.03	▲ 5.31	▲ 61.77
Gold	1742.48	▼ -3.81	▼ -4.74
Copper	353.20	▼ -2.40	▼ -20.87
Corn	778.25	▲ 3.15	▲ 31.18
Coffee (US\$/pound)	2.23	▼ -2.43	▼ -1.42
Bloomberg Commodity Index	115.91	▼ -1.04	▲ 16.88

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