

Weekly commentary

The markets closed the week with strong gains. The Dow Jones and S&P 500 rose 1.87% and 2.47% respectively. The Nasdaq stood out in all markets, rising 4.71%, given the good run of several technology companies such as TESLA, which rose 33% in just 5 days. We also saw recovery in Europe and Asia.

Oil prices showed corrections due to the lower demand from China in the middle of the New Year festivities. The WTI benchmark dropped 2% to 79.68 dpb. Within commodities, natural gas is the asset with the worst performance, falling 2.05% due to lower tensions in Europe and excess supply from other regions such as the United States, while coffee rises more than 9.75%.

The fixed income market remained relatively stable, pending for the decisions of the most important central banks: Fed, European Central Bank and Bank of England. US treasury bonds rose between 2 and 3 basis points (bps) and German bonds 6 bps.

The decisions of central banks will have a lot of positive information from the United States, since it was known that the economic growth of the USA was higher than expected. Gross domestic product for the fourth quarter increased at an annualized rate of 2.9%. Economists surveyed had expected a reading of 2.8%.

This data is relevant, since it gives hope for 2023, after 2021 in which GDP increased at its strongest rate since 1984 and the first two quarters of 2022 began with negative growth.

In any case, these data contrast with the recent reduction in the world economic growth projection by the United Nations, which substantially lowers the outlook for 2023, from 3% to 1.9%, one of the lowest growth figures in at least two decades.

In Europe, the data was preliminary figures for PMIs and consumer confidence. In the case of the PMIs at the composite level and services, the euro zone would have entered an expansion zone, where only the manufacturing sector continues to lag behind. For its part, confidence data improved in January, but remains below its long-term average.

Relevant data and events

This week

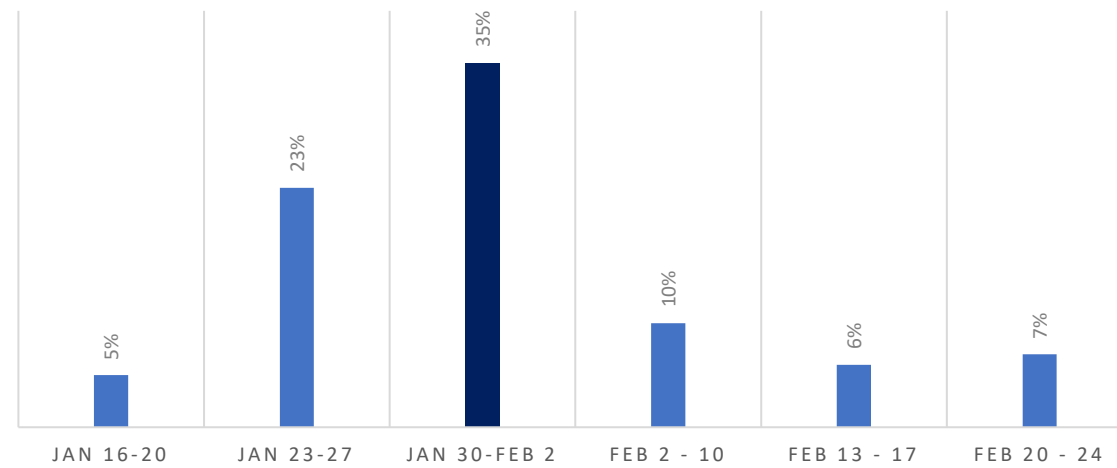
- **USA: FED meeting**
- **Europe: Meeting of the European Central Bank and the Bank of England**
- **Earnings season: APPLE, AMAZON, META, ALPHABET, EXON, FORD, MCDONALDS; AMD;UBS;ALIBABA**

Previous week

- **Services and manufacturing PMI in the US and Europe**
- **New home sales in the USA**
- **Consumer confidence in the USA and Europe**
- **Interest rate decision in Colombia, Chile and Argentina**
- **China chinese new year celebrations**
- **Earnings season – Microsoft, 3M, Johnson & Johnson, Boeing, TESLA, IBM, INTEL, VISA, Chevron**

Some tech companies lead gains

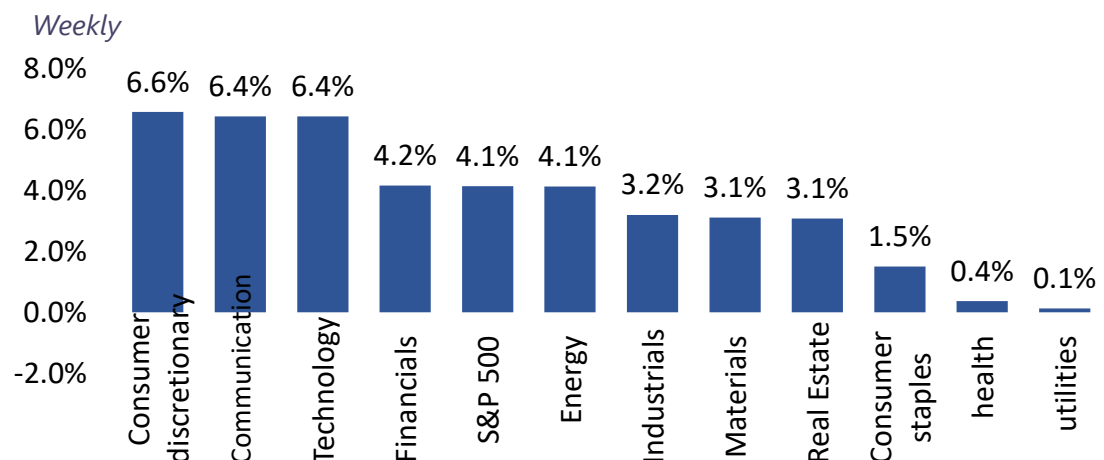
Percentage of companies reporting per week.



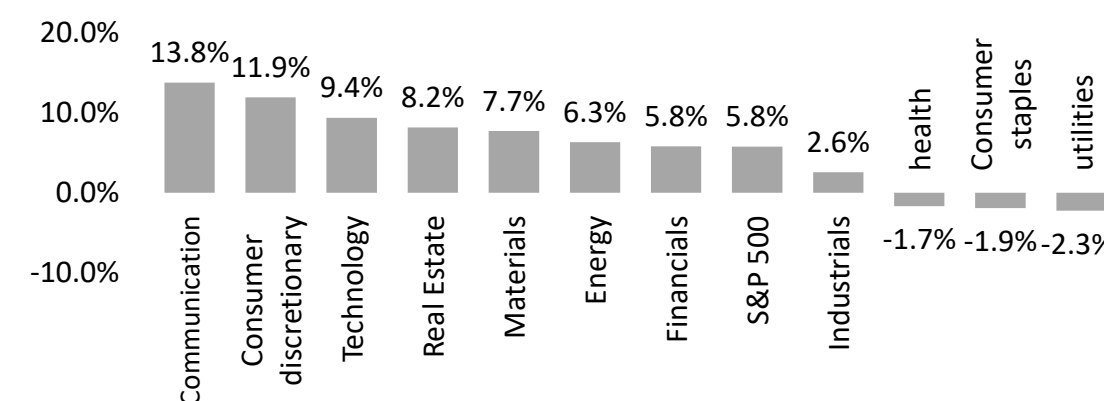
Source: In On Capital Compiled.

Corporate reports in the US continue to show business resilience, with 60% of companies reporting higher-than-expected revenues, clearly below the five-year average of 69%. Microsoft and TESLA reported and saw their share prices rise, while Chevron, Intel and Johnson & Johnson did not convince and had weekly falls of 0.8%, -3.63% and 0.3% respectively.

Sector performance



Annual 2023



In On Financial Markets Monitor

	Level	Price Return (%)		Features	
	01/27/2023	1 Week	YTD	Fwd P/E	
Equities					
S&P 500	4070.56	▲ 2.47	▲ 6.02	18.35	
Dow Jones 30	33978.08	▲ 1.81	▲ 2.51	17.85	
Nasdaq 100	12166.60	▲ 4.71	▲ 11.21	23.41	
Russell 2000	1911.46	▲ 2.36	▲ 8.53	23.09	
Russell 1000 Growth	2336.90	▲ 3.40	▲ 8.28	23.45	
Russell 1000 Value	1566.64	▲ 1.76	▲ 4.64	15.39	
MSCI Emerging Markets	1051.19	▲ 1.44	▲ 9.91	12.70	
MSCI Developed & Emerging World	649.94	▲ 2.13	▲ 7.36	15.83	
MSCI China	75.78	▲ 3.24	▲ 17.54	12.21	
Topix - Japon	1982.66	▲ 2.90	▼ -0.49	12.71	
EuroStoxx 50	4178.01	▲ 1.41	▲ 10.13	12.69	
FTSE 100 - Reino Unido	7765.15	▼ -0.07	▲ 4.21	10.30	

	Yield	Total Return (%)	
	01/27/2023	1 Week	YTD
Fixed Income			
U.S. Aggregate	4.31	▲ 0.09	▲ 2.99
U.S. Corporate High Yield	8.11	▲ 0.38	▲ 3.91
Global Aggregate	3.47	▼ -0.03	▲ 3.30
Global High Yield	8.59	▲ 0.43	▲ 4.33
Emerging Markets Hard Currency	4.81	▲ 0.12	▲ 4.75
Emerging Markets Local Currency	0.83	▲ 0.17	▲ 3.77

	Yield		Change in basic points	
	01/27/2023	12/30/2022	1 Week	YTD
Interest Rate				
2-yr U.S. Treasuries	4.20	4.43	▲ 0.03	▼ -0.23
10-yr U.S. Treasuries	3.50	3.87	▲ 0.02	▼ -0.37
10-yr German Bund	2.24	2.57	▲ 0.06	▼ -0.33

	Level		Percentual change (%)	
	01/27/2023	12/30/2022	1 week	YTD
Currency				
Dollar DXY	101.93	103.52	▼ -0.08	▼ -1.54
Euro	1.09	1.07	▲ 0.11	▲ 1.52
GBP	1.24	1.21	▼ -0.12	▲ 2.47
YEN	129.88	131.12	▲ 0.22	▼ -0.95
YUAN	6.76	6.92	▼ -0.36	▼ -2.39
Mexican peso	18.77	19.50	▼ -0.56	▼ -3.76
Colombian Peso	4578.65	4852.00	▼ -0.05	▼ -5.63

	Level	Percentual change (%)	
	01/27/2023	1 week	YTD
Commodities			
Oil WTI	79.68	▼ -2.00	▼ -0.72
Natural Gas	3.11	▼ -2.05	▼ -30.53
Gold	1928.04	▲ 0.10	▲ 5.70
Copper	422.25	▼ -0.68	▲ 10.81
Corn	683.00	▲ 1.00	▲ 0.66
Coffe	1.70	▲ 9.75	▲ 1.55
Bloomberg Commodity Index	111.61	▼ -0.46	▼ -1.06

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