

Comment of the week

The S&P 500 closed up 0.96%; while the Dow Jones Industrial added an advance of 0.92%. On the other hand, the Nasdaq ended with a 2% appreciation.

In the fixed income market, there was an appetite for safe assets and there were appreciations of more than 12 bps. The US 10-year bond rate started the week at 3.545% and ended at 3.45%.

In the global macroeconomic environment, economic growth data was released, with mixed signals:

- The US GDP grew less than expected in 1Q23 and raises fears of stagflation, since it increased at an annualized rate of 1.1%, well below the forecast of 2.0% and the 2.6% registered in the fourth quarter of 2022.
- The Eurozone also did not meet expectations and its economic growth was 0.1% in this same period, although an increase of 0.2% was expected.
- Brazil and Mexico surprised with higher-than-expected growth, indicating that Latin America's largest economies are resilient amid high interest rates and persistent inflation. Brazil's economic activity grew 3.3% monthly in February, roughly triple the 1.05% increase forecast by analysts, and the Mexican economy grew 1.1% in the first quarter, above the survey of 0.8%.

The corporate earnings continue to send positive signals regarding income higher than expected for businesses, however the future horizon is not so clear. Amazon reported total revenue rose 9.4% but warned that growth in its cloud computing business was cooling, dashing hopes that the company's most profitable division would continue to grow.

On the other hand, rounds of layoffs continue to be announced in some companies such as 3M, Gap, Amazon, which is favorable for their financial health, but puts pressure on macroeconomic stability and may influence the interest rate decision of central banks in this week.

The Japan rate meeting negatively impacted the Japanese Yen as the ultra-loose stance of developed central banks remains.

Data and events of interest

This week

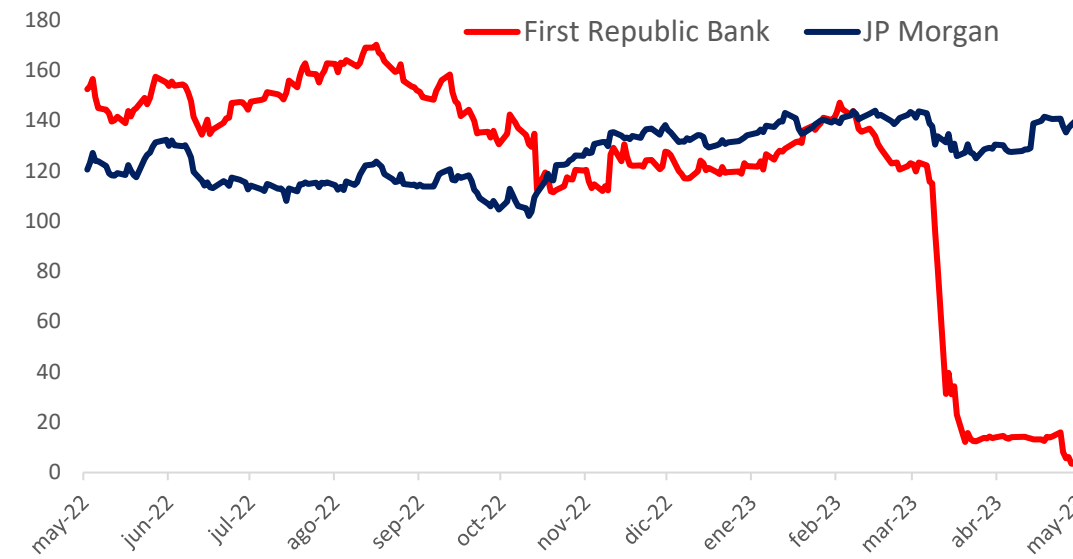
- **US:** Fed
- **Europe:** ECB Decision, Inflation
- **Emerging:** Brazil rates, Colombia Inflation, Peru Inflation, China PMIs, Malaysia Rates
- **Corporate reporting:** Apple, AMD, Qualcomm, Ford, Peloton

previous week

- **USA:** House Prices, GDP, Consumer Confidence, PCE
- **Europe:** PPI Spain, GDP Portugal, Germany, Italy, GDP Eurozone
- **Japan:** inflation
- **Emerging:** GDP Mexico, Reference rate Colombia
- **Corporate reporting:** Apple, Amazon, Alphabet (Google), Microsoft, Meta, Coca Cola, Pepsi, McDonalds, Novartis, Danaher

ECONOMIC GROWTH IN US AND EUROPE WILL AFFECT RATE DECISIONS

BEHAVIOR OF AMERICAN BANKS STOCKS

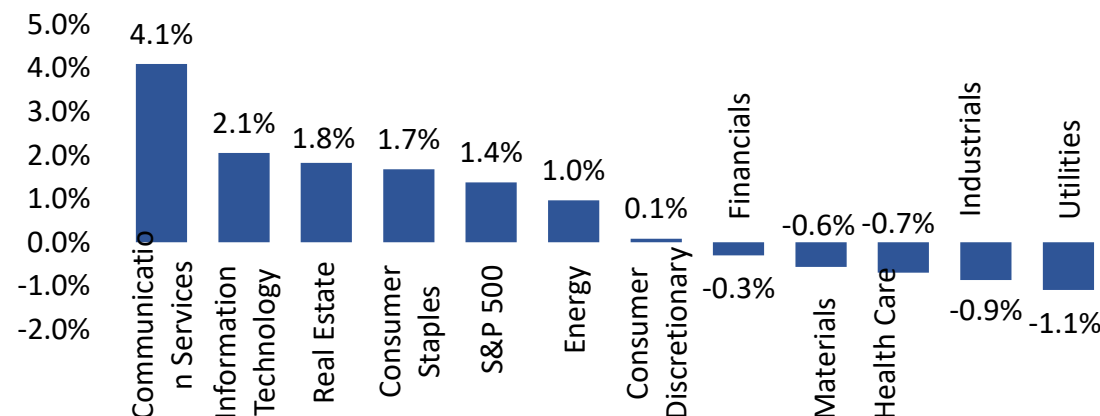


Source: Compiled by In On Capital.

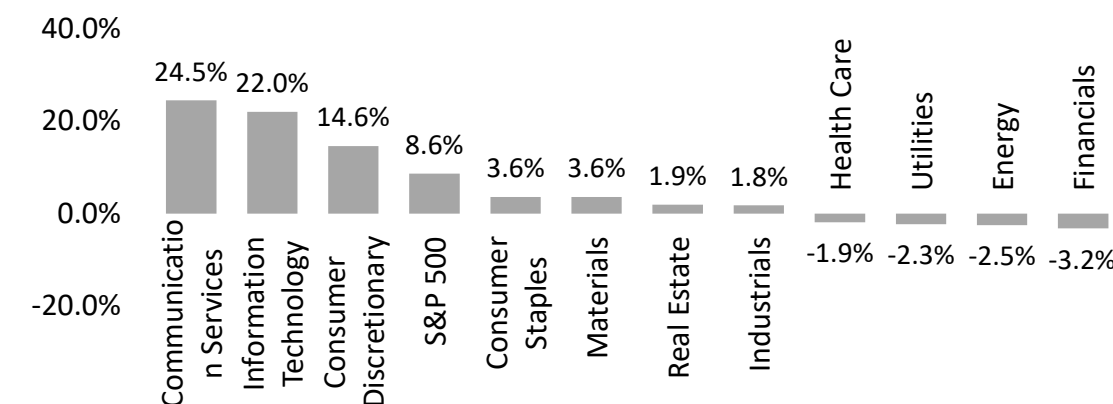
Two months after SVB's bankruptcy, the FDIC (Federal Deposit Insurance Corporation) announced the intervention of First Republic Bank and informed that it reached an agreement with JP Morgan Chase to assume the assets of First Republic Bank. As of this Monday, May 2, all the 84 branches of this bank will become subsidiaries of JP Morgan Chase, the largest bank in the US.

Sectors:

Weekly



Annual



In On Financial Markets Monitor

Equities	Level	Price return (%)		Features
	04/28/2023	1 Week	2022	
S&P 500	4169.48	▲ 0.96	▲ 8.59	19.06
Dow Jones 30	34098.16	▲ 0.92	▲ 2.87	17.50
Nasdaq 100	13245.99	▲ 2.00	▲ 21.08	25.41
Russell 2000	1768.99	▼ -1.16	▲ 0.44	24.33
Russell 1000 Growth	2484.67	▲ 1.24	▲ 15.13	25.08
Russell 1000 Value	1523.90	▲ 0.34	▲ 1.79	15.39
MSCI Emerging Markets	977.05	▼ -1.29	▲ 2.16	12.39
MSCI Developed & Emerging World	655.00	▲ 0.28	▲ 8.20	16.36
MSCI China	64.35	▼ -3.36	▼ -0.19	10.79
Topix - Japan	2057.48	▲ 0.87	▲ 8.76	13.16
EuroStoxx 50	4359.31	▼ -0.58	▲ 14.91	12.77
FTSE 100 - United Kingdom	7870.57	▼ -0.41	▲ 5.62	11.02

Fixed income	Yield	Total return (%)	
	04/28/2023	1 Week	2022
U.S. Aggregate	4.35	▲ 0.67	▲ 3.59
U.S. Corporate High Yield	8.48	▲ 0.64	▲ 4.60
Global Aggregate	3.52	▲ 0.54	▲ 3.46
Global High Yield	9.22	▲ 0.52	▲ 3.80
Emerging Markets Hard Currency	4.88	▲ 1.58	▲ 1.84
Emerging Markets Local Currency	0.83	▲ 1.09	▲ 4.24

Interest rate	Yield		Change in Basic Points	
	04/28/2023	12/30/2022	1 Week	2022
2-yr U.S. Treasuries	4.01	4.43	▼ -0.14	▼ -0.42
10-yr U.S. Treasuries	3.42	3.87	▼ -0.11	▼ -0.45
10-yr German Bund	2.31	2.57	▼ -0.13	▼ -0.26

Currencies	Levels		Percentage change (%)	
	04/28/2023	12/30/2022	1 Week	2022
Dolar Index	101.66	103.52	▼ -0.18	▼ -1.80
Euro	1.10	1.07	▲ 0.45	▲ 2.93
British pound	1.26	1.21	▲ 1.00	▲ 4.01
Japanease Yen	136.30	131.12	▲ 1.53	▲ 3.95
Yuan renminbi chinese	6.93	6.92	▲ 0.62	▲ 0.08
Mexican peso	18.00	19.50	▼ 0.00	▼ -7.69
Colombian peso	4696.43	4850.00	▲ 3.79	▼ -3.17

Commodities	Level	Percentage change (%)	
	04/28/2023	1 Week	2022
Crude oil WTI	76.78	▼ -0.66	▼ -4.34
Natural Gas	2.41	▲ 7.16	▼ -46.15
Gold	1990.00	▼ -0.74	▲ 9.10
Copper	387.00	▼ -3.86	▲ 1.56
Corn	636.00	▼ -4.18	▼ -6.26
Coffee (US\$/pound)	1.90	▼ -3.09	▲ 13.48
Bloomberg Commodity Index	104.31	▼ -1.95	▼ -7.53

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- ¿Y si los bancos desaparecieran? – Abril 1
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- como volver de semana santa sin haber caído en bancarrota

Research team:



Ana Vera
Chief Economist
avera@inoncapital.com



Juan Sebastián Mora
Portfolio Manager
jsmora@inoncapital.com



Stefan Rügsegger
Investment Analyst
sruegsegger@inoncapital.com

If you have any questions, please contact us at research@Inoncapital.com and through our social networks [LinkedIn](#) and [Twitter](#).

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