

WEEKLY MARKET SUMMARY



The Dow extended its winning streak to ten sessions, the longest in nearly six years, rising **2,1%** for the week, while the S&P climbed **0,7%** and the Nasdaq dropped **0,6%**. Quarterly results reported on Friday by major companies such as American Express, SLB, and Interpublic showed mixed performance across the board, with IPG being the biggest percentage loser in the S&P 500. U.S. inflation data released last week, along with news of falling used car prices, pushed the yield on the 10-year U.S. Treasury note to 3.73% on Wednesday. However, weekly data on unemployment benefit claims, which dropped to their lowest level in two months, reflected a tight job market and raised concerns about increasing wage pressures.

Relevant News



- **The Federal Reserve, in an effort to modernize the somewhat outdated American banking system, launched a 24/7/365 instant payment system called "FedNow."** Initially backed by 57 entities, including JPMorgan Chase (JPM) and Wells Fargo (WFC), it is expected that the system will add more lenders and credit unions in the near future.
- **Some members of the Governing Council of the European Central Bank predicted an interest rate hike at the meeting next week** but refrained from committing to a further increase in September. On the other hand, UK inflation rates rose at a slower pace than expected in June, and markets foresee a probable 0.25% increase at the Bank of England's Monetary Policy Committee meeting on August 3.
- **Netflix (NFLX) stocks fell over 8% on Wednesday** following a mixed earnings report and a lowered revenue forecast despite an increase in new subscribers.
- **Traders reacted unfavorably to Tesla's (TSLA) second-quarter results, leading to a 4% drop in value** after Elon Musk hinted at potential price cuts in unstable market conditions and mentioned a slight decline in production in the third quarter. However, ongoing discussions between Tesla and other automakers to license full self-driving software could potentially boost their margins.

Market Monitor



GLOBAL EQUITY INDICES	Last	5 Days	1 Month	YTD
MSCI WORLD	3,028.71	0.36%	→ 4.35%	16.37%
MSCI EM	1,014.58	-1.35%	↘ 2.29%	6.09%
MSCI EM LATIN AMERICA	2,508.00	1.60%	↗ 2.11%	17.84%
MSCI AC ASIA x JAPAN	644.12	-1.82%	↘ 1.90%	4.02%
USA				
S&P 500 INDEX	4,536.34	0.69%	→ 4.32%	18.15%
NASDAQ COMPOSITE	14,032.81	-0.57%	→ 4.00%	34.07%
DOW JONES INDUS. AVG	35,227.69	2.08%	↗ 4.45%	6.28%
EUROPE				
STXE 600 (EUR) Pr	465.40	0.99%	→ 2.71%	9.53%
Euro Stoxx 50 Pr	4,391.41	-0.20%	→ 2.80%	15.76%
DAX INDEX	16,177.22	0.45%	→ 2.19%	16.19%
CAC 40 INDEX	7,432.77	0.79%	→ 3.76%	14.81%
FTSE MIB INDEX	28,855.09	0.67%	→ 6.05%	21.72%
IBEX 35 INDEX	9,571.50	1.41%	↗ 3.30%	16.31%
SWISS MARKET INDEX	11,207.38	0.87%	→ -0.12%	4.45%
FTSE 100 INDEX	7,663.73	3.08%	↗ 2.71%	2.84%
RTS Index	1,012.37	-0.22%	→ -2.66%	4.30%
ASIA				
NIKKEI 225	32,304.25	-0.35%	→ -1.46%	23.80%
HANG SENG INDEX	19,075.26	-1.42%	↘ 0.98%	-3.57%
CSI 300 INDEX	3,821.91	-1.98%	↘ -1.09%	-1.28%
S&P BSE SENSEX INDEX	66,684.26	0.94%	→ 5.88%	9.60%
LATAM				
S&P/BMV IPC	53,702.16	-0.13%	→ 0.68%	10.81%
BRAZIL IBOVESPA INDEX	120,216.80	2.13%	↗ 1.04%	9.55%
MSCI COLCAP INDEX	1,172.85	-0.04%	→ 3.47%	-8.80%
S&P/CLX IPSA (CLP) TR	6,300.92	2.78%	↗ 10.94%	19.75%

EQUITIES SECTORS	Last	5 Days	1 Month	YTD
MSCI WORLD/ENERGY	241.07	3.08%	↗ 7.65%	-2.03%
MSCI WORLD/HLTH CARE	352.98	2.96%	↗ 2.61%	2.28%
MSCI WORLD BANK INDEX	96.96	2.79%	↗ 10.13%	5.25%
MSCI WORLD/FINANCEVAL	106.53	2.74%	↗ 8.42%	0.59%
MSCI WORLD/UTILITY	155.30	1.61%	↗ 4.35%	1.66%
MSCI WORLD/CON STPL	281.09	0.76%	→ 2.10%	4.19%
MSCI WORLD/INDUSTRAL	344.73	0.33%	→ 4.75%	15.22%
PHILA GOLD & SILVER INDX	126.48	-0.52%	→ 6.91%	4.65%
MSCI WORLD/INF TECH	549.92	-0.64%	→ 3.99%	39.78%
MSCI WORLD/MATERIAL	331.77	-0.73%	→ 5.25%	6.74%
MSCI WORLD/CONS DIS	376.21	-1.97%	↘ 3.77%	29.19%
MSCI WRLD/COMM SVC	86.19	-2.67%	↘ 1.18%	29.30%

US RATES	Last	5 Days	Close	12M	Close
2Y	4.84	4.77	0.07	3.09	1.75
5Y	4.09	4.05	0.05	2.98	1.11
10Y	3.83	3.83	0.00	2.87	0.96

COMMODITIES	Last	5 Days	1 Months	YTD
CRB INDEX	276.48	2.10%	↗ 5.13%	-0.46%
WTI	77.07	2.19%	↗ 6.26%	-3.97%
Brent	80.81	1.62%	↗ 5.21%	-4.91%
US Natural Gas	2.71	6.85%	↗ 4.47%	-39.37%
S&P GSCI Precious Metal	2,615.51	-0.03%	→ 4.49%	9.16%
Gold	1,961.94	0.34%	→ 1.52%	7.56%
Silver	24.61	-1.35%	↘ 8.73%	2.75%
Platinum	965.84	-1.07%	↘ 2.09%	-10.09%
Palladium	1,295.35	1.37%	↗ -4.36%	-27.74%
S&P GSCI Ind Metal Index	415.27	-2.74%	↘ 0.52%	-7.95%
Aluminum	2,204.50	-3.16%	↘ -0.83%	-7.30%
Copper	8,422.50	-2.76%	↘ -2.14%	0.69%
Nickel	20,538.50	-4.03%	↘ -2.50%	-31.28%
S&P GSCI Agriculture	428.52	3.51%	↗ -2.07%	-8.93%

DATA OF INTEREST

Key Dates

NEXT WEEK

July 24th
 USA: S&P Global US Manufacturing PMI
 Expected at 46.2
 USA: S&P Global US Manufacturing PMI
 Expected at 54
July 25th
 USA: Consumer Confidence Index
 Expected: 112
July 26th
 USA: New Home Sales
 Expected: 725k
 USA: FOMC Decision

July 27th
 USA: Quarterly Annualized GDP
 Expected at 1.8%.
 USA: Initial Jobless Claims
 Expected at 235k.
July 28th
 USA: University of Michigan
 Sentiment
 Forecasted at 4.21 million.

Asset Outlook at In On Capital

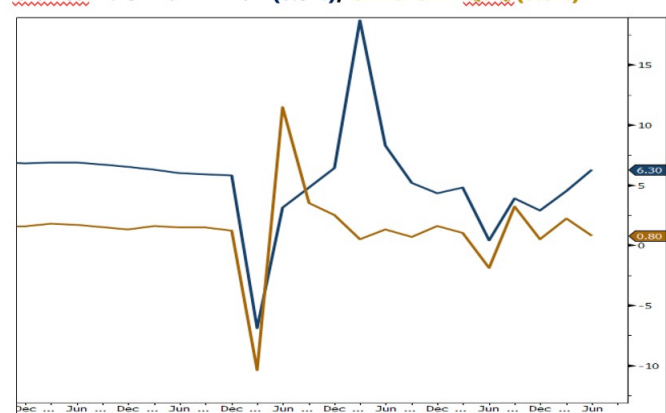
Asset Class	U	N	O
Equity			
North America			
Europe			
EM			

Any lingering doubts about the strength of the economy at the beginning of 2023 dissipated earlier this month, as the real GDP was revised upward to an annual rate of 2.0% from the previous 1.3%.

Topic of the Week

CHINA DISAPPOINTS... BUT VALUATION IS ALREADY PRICING IN MANY BAD NEWS

Gráfico 1 : China PIB YoY (6.3%); China GDP QoQ (0.8%)



China is currently facing the consequences of several negative decisions that have impacted the confidence of international investors (restrictions in the technological, real estate, educational, and gaming sectors, investigation of Alibaba, blockades in Shanghai and Shenzhen until mid-2022, etc). However, despite the recent economic headwinds, we see the Chinese market in a deeply oversold condition with an extremely low valuation after a long period of underperformance. Could it be time to increase exposure?

Equity Sectors	U	N	O
Consumer Staples			
Health Care			
Telcom Services			
Utilities			
Consumer Disc.			
Energy			
Financials			
Industrials			
Technology			
Materials			

Inflation continued to moderate in June, with both overall and core inflation surprising to the downside. Housing was the biggest contributor to the increase, accounting for over 70% of the monthly price growth. Inflation remains well above the 2% target, and the Federal Reserve could raise interest rates again and keep them high for a while before changing course.

The market is well-oriented technically, and the medium-term trend is bullish. However, the long-term technical outlook and a fragile macroeconomic situation with high-interest rates, restrictive credit conditions, and negative leading indicators require us to exercise caution.

Regarding any questions, you can contact us through research@inoncapital.com and our social media channels on [LinkedIn](#) and [Twitter](#).

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