WEEKLY MARKET SUMMARY

In On Capital

Stocks fell during the week (S&P dropped -2.11%). Bond yields have continued to rise over the past three months. The 10-year Treasury yield recently reached a significant milestone, closing at 4.25% on Wednesday, the highest rate observed since 2008. Additionally, there was an overnight increase of 4 basis points, putting it at 4.29%. This uptick in yields comes after the recent release of FOMC minutes, where they emphasized the possible need for further interest rate hikes due to the persistence of inflation rates exceeding the Committee's long-term target and a constrained labor market.

Relevant News

- **Investors are now evaluating the current scenario, weighing the implications of the increase in yields against stock valuations.** Despite some turbulence in the equity market in August, the influx of solid economic data remains consistent. Many investors are inclined to buy during dips, anticipating that the Federal Reserve will soon conclude its rate-hiking phase. Some market participants argue that 10-year yields above 4% offer a lucrative buying outlook, especially when juxtaposed with the potential returns of overvalued stocks.

- **In the United States, retail sales for July exceeded expectations, recording a month-on-month increase of 0.7%.** This growth is attributed to waning consumer confidence, which continues to bolster the economy. The automotive sector, as well as health and personal care segments, significantly contributed to this growth.

- **On the corporate earnings front, Home Depot, a prominent U.S. retailer, saw its stock price rise by 0.7% to $332 after reporting earnings that surpassed market expectations.** The company's CEO, Ted Decker, highlighted the sequential improvement in comparable sales, attributing a significant portion to the seasonal rebound in the second quarter. Furthermore, Home Depot maintained its financial outlook for the entire year, benefiting from cost reductions as suppliers refrained from increasing price demands.

Capital Markets Monitor

GLOBAL EQUITY INDICES	Last	5 Days		1 Month	YTD
MSCI WORLD	2,897.50	-2.53%	↘	-4.33%	11.33%
MSCI EM	964.44	-3.34%	↘	-4.94%	0.84%
MSCI EM LATIN AMERICA	2,353.33	-2.99%	↘	-6.17%	10.57%
MSCI AC ASIA x JAPAN	610.21	-3.76%	↘	-5.26%	-1.46%
USA					
S&P 500 INDEX	4,369.71	-2.11%	↘	-3.67%	13.81%
NASDAQ COMPOSITE	13,290.78	-2.59%	↘	-5.29%	26.98%
DOW JONES INDUS. AVG	34,500.66	-2.21%	↘	-2.06%	4.08%
EUROPE					
STXE 600 (EUR) Pr	448.44	-2.34%	↘	-3.64%	5.54%
Euro Stoxx 50 Pr	4,212.95	-2.51%	↘	-4.06%	11.05%
DAX INDEX	15,574.26	-1.63%	↘	-3.73%	11.86%
CAC 40 INDEX	7,164.11	-2.40%	↘	-3.61%	10.66%
FTSE MIB INDEX	27,761.98	-1.81%	↘	-3.79%	17.10%
IBEX 35 INDEX	9,267.70	-1.77%	↘	-3.17%	12.62%
SWISS MARKET INDEX	10,839.06	-2.19%	↘	-3.29%	1.02%
FTSE 100 INDEX	7,262.43	-3.48%	↘	-5.24%	-2.54%
RTS Index	1,047.03	4.61%	↗	3.42%	7.87%
ASIA					
NIKKEI 225	31,450.76	-3.15%	↘	-2.64%	20.53%
HANG SENG INDEX	17,950.85	-5.89%	↘	-5.89%	-9.25%
CSI 300 INDEX	3,784.00	-2.58%	↘	-0.99%	-2.26%
S&P BSE SENSEX INDEX	64,948.66	-1.13%	↘	-2.60%	6.75%
LATAM					
S&P/BMV IPC	53,194.39	-0.09%	→	-0.95%	9.76%
BRAZIL IBOVESPA INDEX	115,408.50	-2.25%	↘	-4.00%	5.17%
MSCI COLCAP INDEX	1,132.66	-1.29%	↘	-3.43%	-11.93%
S&P/CLX IPSA (CLP) TR	6,133.27	-2.50%	↘	-2.66%	16.56%

EQUITIES SECTORS	Last	5 Days		1 Month	YTD
MSCI WORLD/INF TECH	513.85	-1.09%	↘	-6.56%	30.61%
MSCI WORLD/HLTH CARE	344.88	-1.81%	↘	-2.30%	-0.07%
MSCI WORLD/ENERGY	248.22	-1.82%	↘	2.97%	0.87%
MSCI WORLD/UTILITY	143.40	-2.29%	↘	-7.66%	-6.12%
MSCI WORLD/CON STPL	270.71	-2.33%	↘	-3.69%	0.34%
MSCI WRLD/COMM SVC	85.62	-2.89%	↘	-0.66%	28.44%
MSCI WORLD/INDUSTRL	329.20	-3.09%	↘	-4.50%	10.03%
MSCI WORLD/FINANCEVAL	101.57	-3.33%	↘	-4.66%	-4.10%
MSCI WORLD/MATERIAL	312.83	-3.75%	↘	-5.71%	0.65%
MSCI WORLD/CONS DIS	356.52	-4.15%	↘	-5.24%	22.43%
MSCI WORLD BANK INDEX	90.90	-4.37%	↘	-6.25%	-1.33%
PHILA GOLD & SILVER INDX	111.68	-6.37%	↘	-11.71%	-7.60%

US RATES	Last	5 Days Close		12M Close	
2Y	4.94	4.89	0.05	3.20	1.75
5Y	4.39	4.30	0.08	3.03	1.36
10Y	4.25	4.15	0.10	2.88	1.37

COMMODITIES	Last	5 Days		1 Months	YTD
CRB INDEX	275.48	-1.52%	↘	-0.36%	-0.82%
WTI	81.25	-2.33%	↘	7.26%	1.23%
Brent	85.65	-3.04%	↘	8.82%	5.29%
US Natural Gas	2.55	-7.91%	↘	-2.97%	-42.99%
S&P GSCI Precious Metal	**2,492.75**	**-1.41%**	↘	**-4.69%**	**4.03%**
Gold	1,889.32	-1.28%	↘	-4.52%	3.58%
Silver	22.75	0.28%	→	-9.20%	-5.03%
Platinum	914.58	-0.16%	→	-7.28%	-14.87%
Palladium	1,257.57	-3.19%	↘	-4.70%	-29.85%
S&P GSCI Ind Metal Index	**404.09**	**-1.11%**	↘	**-2.69%**	**-10.43%**
Aluminum	2,137.00	-1.77%	↘	-3.02%	-10.13%
Copper	8,213.75	-0.51%	→	-2.74%	-1.81%
Nickel	19,907.00	-0.23%	→	-4.48%	-33.39%
S&P GSCI Agriculture	**402.94**	**-0.10%**	→	**-5.97%**	**-14.37%**

INTERESTING FACTS

Last Week's Key Dates

August 15th
USA: Retail Sales Advance
0.7% compared to the expected 0.40%

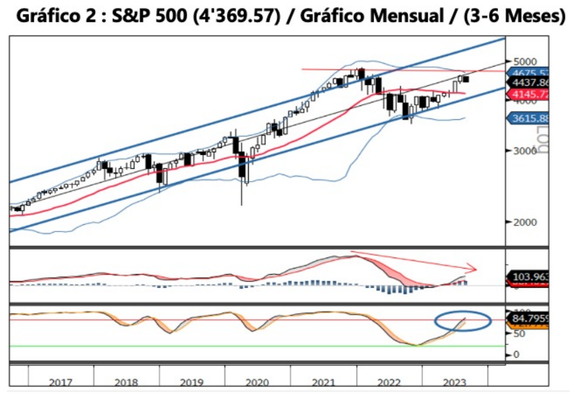
August 16th
USA: Housing Starts
1,452,000 compared to the expected 1,445,000
USA: FOMC Meeting Minutes
USA: Month-over-Month Industrial Production
1% compared to the expected 0.30%

August 17th
USA: Initial Unemployment Benefit Claims
239,000 compared to the expected 230,000

Theme of the Week

QUE DICE EL ANALISIS TECNICO?

Gráfico 2 : S&P 500 (4'369.57) / Gráfico Mensual / (3-6 Meses)



In this report, we are analyzing the different technical aspects of the market in order to obtain a comprehensive view of what could happen in the short term (1-2 months), medium term (3-6 months), and long term (6-18 months).

It is too early to draw conclusions until the end of the year. However, the short-term situation does not appear favorable, and unless we experience a sharp rebound next week, prices should continue to correct towards the support zone of 4,200-4,300 (S&P 500). It will be crucial for prices to hold within this support zone to have the opportunity of witnessing prices reaching new highs this year. Otherwise, the correction could deepen and jeopardize the long-term upward trend, which is still considered intact as of today.

Source : Sentosa & Co, Atlantic Financial Group

For further information on this week's topic, we suggest visiting the complete publication on our website

Asset Outlook at In On Capital

Asset Class	U	N	O
Renta Fija		X	
Renta Variable		X	
Alternativos		X	

Regions (Equity)	U	N	O
North America		X	
Europe			X
Emerging Markets			X
Japan	X		

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

The downgrade of the U.S. credit rating by Fitch is not a surprise. It reflects the deterioration of the U.S. macroeconomic situation and the challenges it will face in this environment of high interest rates and high leverage.

The risk of an imminent hard landing seems to have disappeared after the publication of the fourth-quarter GDP. However, there are still short-term risks. Inflation remains well above the 2% target and the Federal Reserve could raise rates again and keep them high for a while before changing course.

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

Regarding any questions, you can contact us through research@Inoncapital.com and our social media channels on LinkedIn and Twitter.

APPLICABLE TERMS AND CONDITIONS