WEEKLY MARKET SUMMARY

In On Capital

*During the week, the conflict between Israel and Gaza kept Wall Street on a roller coaster. Investors opted for safe-haven assets such as U.S. Treasury bonds and gold. By the end of the week, the Dow Jones and the S&P 500 showed increases of **0.8%** and **0.4%** respectively, while the Nasdaq, which has a strong presence of technology stocks, experienced a **0.2%** decline. Statements by Patrick Harker, a member of the FOMC, against future interest rate hikes were well-received by traders, suggesting a less restrictive monetary policy.*

Relevant News

- **The financial sector remained on an optimistic** note after JPMorgan, Citigroup, and Wells Fargo revealed their third-quarter earnings, with a strong performance in net interest income.
- **The Consumer Price Index (CPI) for September showed a 0.4% increase,** slightly above expectations, reinforcing the possibility of an interest rate hike by the Federal Reserve. This data keeps concerns about inflation alive, especially with the rise in energy prices that could influence the core CPI.
- **In the automotive sector, labor discord intensified with strikes at Mack Trucks and General Motors in Canada,** bringing the number of United Auto Workers on strike to over 30,000. Additionally, around 8,700 members at the Ford Motor plant in Kentucky joined the picket lines, impacting production and revenues.
- **Exxon Mobil's acquisition streak advanced with its agreement to acquire Pioneer Natural Resources** for nearly $60 billion, aiming to strengthen its position in the Permian Basin. This move follows Exxon's recent acquisition of Denbury Resources and reflects a broader trend toward consolidation in the oil industry, especially in the Permian Basin. This acquisition could catalyze further consolidation in the oil industry.

Capital Markets Monitor

GLOBAL EQUITY INDICES	Last	5 Days		1 Month	YTD
MSCI WORLD	2,862.14	0.59%	→	-3.34%	9.97%
MSCI EM	951.31	1.49%	↗	-3.42%	-0.53%
MSCI EM LATIN AMERICA	2,227.74	2.91%	↗	-6.82%	4.67%
MSCI AC ASIA x JAPAN	607.33	1.41%	↗	-2.95%	-1.92%
USA					
S&P 500 INDEX	4,327.78	0.45%	→	-2.75%	12.72%
NASDAQ COMPOSITE	13,407.23	-0.18%	→	-2.20%	28.10%
DOW JONES INDUS. AVG	33,670.29	0.79%	→	-2.74%	1.58%
RUSSELL 2000 INDEX	1,719.71	-1.48%	↘	-6.89%	-2.36%
EUROPE					
STXE 600 (EUR) Pr	449.18	0.96%	→	-2.76%	5.72%
Euro Stoxx 50 Pr	4,136.12	-0.20%	→	-3.70%	9.03%
DAX INDEX	15,186.66	-0.28%	→	-4.45%	9.07%
CAC 40 INDEX	7,003.53	-0.80%	→	-5.09%	8.18%
FTSE MIB INDEX	28,237.02	1.53%	↗	-2.28%	19.11%
IBEX 35 INDEX	9,232.90	-0.03%	→	-3.32%	12.20%
SWISS MARKET INDEX	10,900.30	0.58%	→	-2.66%	1.59%
FTSE 100 INDEX	7,599.60	1.40%	↗	-1.45%	1.98%
ASIA					
NIKKEI 225	32,315.99	3.99%	↗	-3.63%	23.84%
HANG SENG INDEX	17,813.45	1.87%	↗	-2.03%	-9.95%
CSI 300 INDEX	3,663.41	-0.71%	→	-1.22%	-5.38%
S&P BSE SENSEX INDEX	66,282.74	0.44%	→	-2.29%	8.94%
LATAM					
S&P/BMV IPC	49,379.58	-0.58%	→	-3.84%	1.89%
BRAZIL IBOVESPA INDEX	115,754.10	2.18%	↗	-2.53%	5.49%
MSCI COLCAP INDEX	1,116.29	1.30%	↗	1.60%	-13.20%
S&P/CLX IPSA (CLP) TR	5,777.75	2.88%	↗	-3.75%	9.80%

EQUITIES SECTORS	Last	5 Days		1 Month	YTD
PHILA GOLD & SILVER INDX	114.35	7.21%	↗	-3.64%	-5.39%
MSCI WORLD/ENERGY	255.58	4.94%	↗	-1.56%	3.87%
MSCI WORLD/UTILITY	135.18	3.17%	↗	-7.84%	-11.51%
MSCI WORLD/INDUSTRL	318.29	0.89%	→	-3.89%	6.38%
MSCI WORLD/MATERIAL	305.34	0.81%	→	-4.76%	-1.77%
MSCI WORLD/HLTH CARE	337.29	0.52%	→	-2.00%	-2.27%
MSCI WORLD BANK INDEX	89.31	0.32%	→	-3.86%	-3.05%
MSCI WORLD/INF TECH	523.98	0.22%	→	-0.17%	33.18%
MSCI WORLD/CON STPL	251.52	0.20%	→	-6.18%	-6.77%
MSCI WORLD/FINANCEVAL	100.30	0.04%	→	-4.42%	-5.30%
MSCI WRLD/COMM SVC	88.86	0.01%	→	-0.97%	33.30%
MSCI WORLD/CONS DIS	345.54	-0.54%	→	-7.57%	18.66%

US RATES	Last	5 Days Close		12M Close	
2Y	5.05	5.08	-0.03	4.46	0.59
5Y	4.64	4.76	-0.12	4.20	0.44
10Y	4.61	4.80	-0.19	3.94	0.67

COMMODITIES	Last	5 Days		1 Months	YTD
CRB INDEX	283.97	3.40%	↗	-1.94%	2.24%
WTI	87.69	5.92%	↗	-0.94%	9.26%
Brent	92.76	5.27%	↗	-0.68%	14.03%
US Natural Gas	3.24	-3.06%	↘	20.75%	-27.69%
S&P GSCI Precious Metal	2,520.60	5.23%	↗	-0.41%	5.20%
Gold	1,932.82	5.45%	↗	1.29%	5.96%
Silver	22.72	5.17%	↗	-0.52%	-5.15%
Platinum	884.13	0.29%	→	-2.20%	-17.70%
Palladium	1,150.56	-1.05%	↘	-8.25%	-35.82%
S&P GSCI Ind Metal Index	399.38	-1.35%	↘	-3.64%	-11.47%
Aluminum	2,199.50	-1.79%	↘	-0.81%	-7.51%
Copper	7,875.81	-1.20%	↘	-6.21%	-5.85%
Nickel	18,284.25	-0.14%	→	-7.93%	-38.82%
S&P GSCI Agriculture	397.53	1.19%	↗	-1.54%	-15.51%

INTERESTING FACTS

Last Week's Key Dates

October 11
USA: PPI Final Demand MoM
0.5% versus the expected 0.3%

USA: PPI Final Demand YoY
2.2% versus the expected 1.6%

October 12
USA: CPI Final Demand MoM
0.4% versus the expected 0.3%

USA: CPI Final Demand YoY
3.7% versus the expected 3.6%

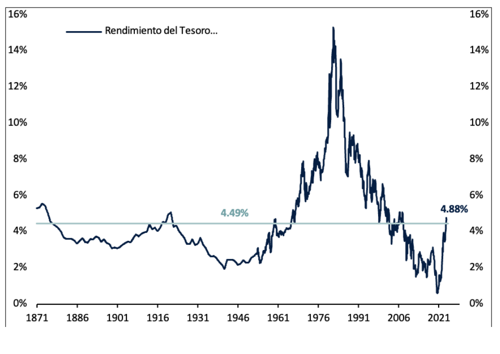
USA: Initial Jobless Claims
209k versus the expected 210k

October 13
USA: U. of Mich. Sentiment
63 versus the expected 67

Theme of the Week

INTEREST RATE HIKES: TICK, TICK... BOOM!

Gráfico 1 : Tipos nominales estadounidenses a 10 años



Bond yields have just reached very high levels very quickly. The most famous of them all, the yield on the 10-year U.S. Treasury, reached 4.88%, a record since July 2007, far from the 3.29% it recorded in May. **The 4.88% reached ten days ago is considered a historical high, as it corresponds to a long-term average** (chart 1), but the speed and economic context in which this situation is occurring are unprecedented. **The one-year change in real 10-year yields in the U.S. has also reached historic highs, with a 670 basis point increase in just one year, a historical progression that has only been seen on a few occasions in the past.**

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			
Renta Variable			
Alternativos			

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

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

The risk of "higher for longer" has influenced the minds of investors, driving the yield on the US 10-year Treasury to highs of 4.88% and affecting the performance of the equity market in recent weeks.

The September non-farm payroll figure, 336,000, has significantly surpassed the consensus of 170,000, reassuring the market on one hand but also reaffirming that the Federal Reserve won't be lowering interest rates anytime soon. The Fed will face more headwinds due to a stronger-than-expected labor market and indirectly, a higher oil price that will influence the CPI.

The market is deteriorating technically. The volatility and declines seen in this current correction will be crucial in assessing the direction for the rest of the year. Additionally, the 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