

# WEEKLY MARKET SUMMARY



The S&P 500 recorded its fourth consecutive week of losses, culminating in a drop of nearly 5% in September, the largest monthly decline since December. The announcement by the Federal Reserve of a sustained increase in interest rates, rising crude oil prices, and concerns about increased public debt issuance have pushed bond yields higher and equities lower. During the past week, the Dow Jones and the S&P 500 fell by **1.3%** and **0.7%**, respectively, while the Nasdaq Composite posted a modest gain of **0.1%**.

## Relevant News



- **The United States is on the verge of a partial government shutdown as the fiscal year ends without Congress approving the necessary bills or a continuing resolution.** Each week of shutdown can reduce GDP by around 0.2%, although most of this loss is typically regained once a funding bill is approved. Moody's has warned that recurring government dysfunction in Washington could negatively impact the credit rating.
- **Amazon (AMZN) experienced a 4% drop in its stock after facing a lawsuit from the FTC and 17 states.** The lawsuit alleges that Amazon used anti-competitive strategies to maintain its monopoly, preventing competitors from lowering prices and overcharging sellers.
- **The oil market is also under pressure,** with data from Cushing, Oklahoma, showing a significant reduction in inventories. This has heightened concerns about a global supply shortage. Ongoing supply cuts by major producers such as Saudi Arabia and Russia add to these worries.
- **U.S. Treasury bonds are on track to record their worst monthly performance of the year** as the fixed-income markets continue to decline. Yields on 30 and 10-year bonds are at their highest levels in more than a decade, largely due to the Fed's announcement of further interest rate hikes.

## Capital Markets Monitor



GLOBAL EQUITY INDICES	Last	5 Days	1 Month	YTD
MSCI WORLD	2,853.24	-0.92%	→ -4.56%	9.63%
MSCI EM	952.78	-1.19%	→ -3.34%	-0.38%
MSCI EM LATIN AMERICA	2,301.44	-1.61%	→ -3.38%	8.14%
MSCI AC ASIA x JAPAN	604.52	-1.16%	→ -3.35%	-2.38%
<b>USA</b>				
S&P 500 INDEX	4,288.05	-0.74%	→ -5.04%	11.68%
NASDAQ COMPOSITE	13,219.32	0.06%	→ -5.79%	26.30%
DOW JONES INDUS. AVG	33,507.50	-1.34%	→ -3.82%	1.09%
RUSSELL 2000 INDEX	1,785.10	0.48%	→ -7.07%	1.35%
<b>EUROPE</b>				
STXE 600 (EUR) Pr	450.22	-0.67%	→ -1.73%	5.96%
Euro Stoxx 50 Pr	4,174.66	-0.77%	→ -2.52%	10.04%
DAX INDEX	15,386.58	-1.10%	→ -2.86%	10.51%
CAC 40 INDEX	7,135.06	-0.69%	→ -2.22%	10.22%
FTSE MIB INDEX	28,243.26	-1.16%	→ -1.42%	19.13%
IBEX 35 INDEX	9,428.00	-0.78%	→ -0.23%	14.57%
SWISS MARKET INDEX	10,963.50	-0.47%	→ -1.01%	2.18%
FTSE 100 INDEX	7,608.08	-0.99%	→ 1.92%	2.10%
<b>ASIA</b>				
NIKKEI 225	31,857.62	-1.68%	→ -2.61%	22.09%
HANG SENG INDEX	17,809.66	-1.37%	→ -3.11%	-9.97%
CSI 300 INDEX	3,689.52	0.46%	→ -2.65%	-4.70%
S&P BSE SENSEX INDEX	65,828.41	-0.27%	→ 0.67%	8.20%
<b>LATAM</b>				
S&P/BMV IPC	50,874.98	-1.55%	→ -4.27%	4.98%
BRAZIL IBOVESPA INDEX	116,565.20	0.48%	→ -1.13%	6.22%
MSCI COLCAP INDEX	1,121.64	2.85%	→ 3.40%	-12.79%
S&P/CLX IPSA (CLP) TR	5,833.36	0.02%	→ -2.72%	10.86%

EQUITIES SECTORS	Last	5 Days	1 Month	YTD
MSCI WORLD/ENERGY	256.52	0.85%	→ 0.65%	4.25%
MSCI WORLD/INF TECH	510.46	-0.03%	→ -7.05%	29.74%
MSCI WRLD/COMM SVC	86.84	-0.22%	→ -2.63%	30.28%
MSCI WORLD/MATERIAL	309.01	-0.55%	→ -4.75%	-0.59%
MSCI WORLD/BANK INDEX	90.76	-0.71%	→ -0.98%	-1.48%
MSCI WORLD/INDUSTRAL	319.60	-0.71%	→ -5.50%	6.82%
MSCI WORLD/HLTH CARE	334.55	-0.98%	→ -3.55%	-3.06%
MSCI WORLD/CONS DIS	350.41	-1.08%	→ -5.16%	20.33%
MSCI WORLD/FINANCEVAL	101.42	-1.54%	→ -1.77%	-4.24%
MSCI WORLD/CON STPL	257.84	-2.31%	→ -4.39%	-4.43%
MSCI WORLD/UTILITY	135.48	-5.95%	→ -5.26%	-11.31%
PHILA GOLD & SILVER INDX	107.48	-6.19%	→ -8.44%	-11.07%

US RATES	Last	5 Days	Close	12M	Close
2Y	5.04	5.11	-0.07	4.19	0.85
5Y	4.61	4.56	0.05	4.02	0.59
10Y	4.57	4.43	0.14	3.79	0.79

COMMODITIES	Last	5 Days	1 Months	YTD
CRB INDEX	284.53	-0.51%	→ 0.06%	2.44%
WTI	90.79	0.84%	→ 11.87%	13.12%
Brent	96.30	2.06%	→ 11.77%	18.38%
US Natural Gas	2.93	11.07%	→ 14.59%	-34.55%
S&P GSCI Precious Metal	2,427.16	-4.25%	→ -5.47%	1.30%
Gold	1,848.63	-3.98%	→ -4.59%	1.35%
Silver	22.18	-5.87%	→ -10.29%	-7.41%
Platinum	907.90	-2.45%	→ -7.61%	-15.49%
Palladium	1,248.19	-0.48%	→ -0.14%	-30.37%
S&P GSCI Ind Metal Index	420.25	1.84%	→ -0.09%	-6.85%
Aluminum	2,347.00	4.75%	→ 8.23%	-1.30%
Copper	8,212.50	0.62%	→ -2.36%	-1.82%
Nickel	18,440.00	-3.82%	→ -9.99%	-38.30%
S&P GSCI Agriculture	385.87	-2.48%	→ -3.99%	-17.99%

## INTERESTING FACTS

### Last Week's Key Dates

**September 26th**  
**USA: Consumer Confidence - Conf. Board**  
 103 compared to the expected 105.5

**September 27th**  
**USA: Durable Goods Orders**  
 0.2% versus the expected - 0.5%

**September 28th**  
**USA: Initial Jobless Claims**  
 204k vs. expected 215k

**September 29th**  
**USA: PCE Price Index Monthly**  
 0.4% compared to the expected 0.5%

**USA: PCE Price Index Yearly**  
 3.5%, as expected

### Asset Outlook at In On Capital

Asset Class	U	N	O
Renta Fija			
Renta Variable			
Alternativos			
<b>Regions (Equity)</b>			
North America			
Europe			
Emerging Markets			
Japan			

Economic surprises have cooled down, and various macroeconomic figures have been disappointing. Non-farm payrolls have been consistently revised downward over the past 6 months.

Inflation has remained fairly stable but continues to be well above the 2% target, and the Federal Reserve may raise interest rates again and keep them high for a while before changing course.

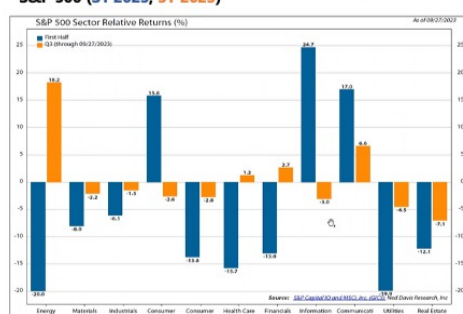
The market is deteriorating technically in the short term, and more declines are expected in the coming weeks. Furthermore, the fragile macroeconomic situation, with high-interest rates, restrictive credit conditions, and negative leading indicators, requires us to exercise caution.

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

## Theme of the Week

### DEMAND FOR FOSSIL FUELS REMAINS STRONG

Gráfico 2: Rendimiento relativo de los sectores frente al S&P 500 (S1 2023, 3T 2023)



Interestingly, the energy sector has had the best performance in the third quarter, with a 11.9% increase, after being the worst-performing sector in the first half of the year with a -5.6% return as of June 30th. In relative terms, the situation is even more pronounced. The energy sector has outperformed the S&P 500 by 18.2% after underperforming by 20% during the first half of the year.

In our weekly report from July 31st, we highlighted that the poor performance of the energy sector during the first half of the year presented an investment opportunity.

The price of oil is expected to remain high and stay above \$80 as Saudi Arabia has shown a strong commitment to this goal.

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

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