

# WEEKLY MARKET SUMMARY



The U.S. stock markets concluded the week on a positive note, with the Nasdaq Composite gaining 0.35% and the Dow Jones Industrial Average rising by 0.16%, despite some Federal Reserve officials tempering expectations of imminent interest rate cuts. The S&P 500 index remained relatively stable, and all indices experienced their best winning streaks in years. The Dow and Nasdaq recorded weekly gains of **2.9%**, while the S&P rose by **2.5%**.

## Relevant News



- **The Federal Reserve kept its official interest rate between 5.25% and 5.50%.** The market's reaction was positive. The Federal Reserve anticipates three interest rate cuts in 2024 and four in 2025, although Jerome Powell indicated that discussions about monetary policy relaxation are just beginning. In contrast, the European Central Bank and the Bank of England, along with the IMF, advised caution in reducing rates too quickly.
- **A significant legal judgment against Google could disrupt the app store market.** Epic Games won an antitrust case, proving that Google's Play Store is an illegal monopoly. This could lead to changes in how apps are distributed on Android platforms, significantly impacting Google's revenue.
- **Tesla faced a setback with the recall of over 2 million vehicles due to concerns about its Autopilot system.** The National Highway Traffic Safety Administration's investigation into Autopilot-related accidents prompted this recall, although Tesla's compliance could encourage greater acceptance of its technology.
- **Macy's received a major buyout offer of \$5.8 billion from Arkhouse Management and Brigade Capital,** valuing the company at \$21 per share. This proposal, representing a 21% premium over its latest closing price, caused Macy's stock to surge by 19%.
- **The COP28 climate summit** marked a historic moment by nearly 200 countries agreeing to abandon fossil fuels. This pioneering agreement aims to triple the capacity of renewable energy by 2030 and significantly reduce methane emissions.

## Capital Markets Monitor

GLOBAL EQUITY INDICES	Last	5 Days	1 Month	YTD
MSCI WORLD	3,126.14	2.59%	4.72%	20.11%
MSCI EM	1,000.89	2.65%	2.50%	4.65%
MSCI EM LATIN AMERICA	2,571.42	3.72%	4.63%	20.82%
MSCI AC ASIA x JAPAN	627.22	2.49%	1.91%	1.29%
<b>USA</b>				
S&P 500 INDEX	4,719.19	2.49%	4.55%	22.91%
NASDAQ COMPOSITE	14,813.92	2.85%	4.87%	41.54%
DOW JONES INDUS. AVG	37,305.16	2.92%	6.75%	12.54%
RUSSELL 2000 INDEX	1,985.13	5.55%	10.42%	12.71%
<b>EUROPE</b>				
STXE 600 (EUR) Pr	476.61	0.92%	4.56%	12.17%
Euro Stoxx 50 Pr	4,549.44	0.58%	4.81%	19.92%
DAX INDEX	16,751.44	-0.05%	5.23%	20.31%
CAC 40 INDEX	7,596.91	0.93%	5.02%	17.35%
FTSE MIB INDEX	30,373.89	-0.10%	2.97%	28.12%
IBEX 35 INDEX	10,095.60	-1.25%	3.42%	22.68%
SWISS MARKET INDEX	11,191.89	1.08%	4.23%	4.31%
FTSE 100 INDEX	7,576.36	0.29%	0.96%	1.67%
<b>ASIA</b>				
NIKKEI 225	32,970.55	2.05%	-1.83%	26.35%
HANG SENG INDEX	16,792.19	2.80%	-3.79%	-15.11%
CSI 300 INDEX	3,341.55	-1.70%	-6.35%	-13.69%
S&P BSE SENSEX INDEX	71,483.75	2.37%	8.65%	17.49%
<b>LATAM</b>				
S&P/BMV IPC	57,130.08	4.91%	8.44%	17.88%
BRAZIL IBOVESPA INDEX	130,197.10	2.44%	4.35%	18.65%
MSCI COLCAP INDEX	1,162.58	1.51%	3.32%	-9.60%
S&P/CLX IPSA (CLP) TR	6,138.10	2.80%	6.36%	16.65%

EQUITIES SECTORS	Last	5 Days	1 Month	YTD
PHILA GOLD & SILVER INDX	123.76	4.80%	9.60%	2.40%
MSCI WORLD/MATERIAL	339.40	4.51%	6.19%	9.19%
MSCI WORLD BANK INDEX	100.37	3.74%	7.54%	8.95%
MSCI WORLD/INDUSTRL	355.84	3.70%	6.93%	18.93%
MSCI WORLD/FINANCEVAL	112.68	3.56%	7.15%	6.40%
MSCI WORLD/CONS DIS	388.75	3.07%	5.98%	33.50%
MSCI WORLD/INF TECH	597.12	3.00%	5.07%	51.77%
MSCI WORLD/HLTH CARE	345.24	1.64%	3.86%	0.03%
MSCI WORLD/ENERGY	241.67	1.61%	-1.04%	-1.79%
MSCI WORLD/UTILITY	148.81	1.36%	3.78%	-2.58%
MSCI WORLD/CON STPL	265.42	1.25%	2.11%	-1.62%
MSCI WRLD/COMM SVC	92.86	0.13%	0.84%	39.30%

US RATES	Last	5 Days	Close	12M	Close
2Y	4.44	4.72	-0.28	4.24	0.21
5Y	3.91	4.24	-0.33	3.62	0.29
10Y	3.91	4.23	-0.31	3.45	0.46

COMMODITIES	Last	5 Days	1 Months	YTD
CRB INDEX	265.07	0.85%	-3.13%	-4.57%
WTI	71.43	0.28%	-6.82%	-11.00%
Brent	77.04	1.65%	-6.60%	-5.30%
US Natural Gas	2.49	-3.49%	-21.91%	-44.34%
S&P GSCI Precious Metal	2,644.38	1.29%	1.38%	10.36%
Gold	2,019.62	0.75%	3.05%	10.72%
Silver	23.86	3.72%	1.76%	-0.41%
Platinum	944.51	2.59%	4.99%	-12.08%
Palladium	1,177.06	24.33%	14.11%	-34.34%
S&P GSCI Ind Metal Index	413.97	3.19%	1.67%	-8.24%
Aluminum	2,247.50	5.32%	0.67%	-5.49%
Copper	8,454.65	1.06%	3.46%	1.07%
Nickel	16,923.00	1.90%	-1.52%	-43.37%
S&P GSCI Agriculture	394.79	-0.58%	-0.82%	-16.10%

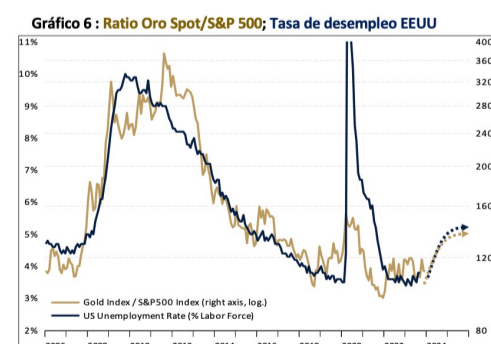
## INTERESTING FACTS

### Last Week's Key Dates

- December 12**  
**US: Monthly CPI (Consumer Price Index)**  
 0.1% compared to the expected 0%.  
**US: Yearly CPI**  
 As expected, 3.1%.
- December 13**  
**US: Monthly PPI (Producer Price Index)**  
 As expected, 0.10%.  
**US: Yearly PPI**  
 0.90% compared to the expected 1.00%.  
**US: FOMC Decision on Interest Rates**  
 As expected, between 5.25% and 5.50%.
- December 14**  
**US: Initial Unemployment Benefit Claims**  
 202,000 compared to the expected 220,000.
- December 15**  
**US: S&P Global's US Manufacturing PMI**  
 48.2 compared to the expected 49.5.  
**US: S&P Global's US Services PMI**  
 51.3 compared to the expected 50.5.

### Theme of the Week

#### THE PROFITABILITY OF BALANCED PORTFOLIOS IN A SPECIAL YEAR



The Fixed Income segment achieved its performance in the last 2 months of the year thanks to a rapid yield curve decline. Investors who did not invest enough in bonds also did not benefit from this. Finally, holding cash instead of gold has been a drag for investors, as they could have generated higher returns with the yellow metal.

Both the Fixed Income and Equity segments have offered attractive returns in 2023, but the ability of Balanced Portfolio investors to benefit from this dynamic has been limited due to the scarce number of securities that have driven the stock market upward.

In a way, we were able to compensate for our underweighting in equities with an overweighting in fixed income...

### 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			

The rise in the markets has continued in December, driven by increased expectations of interest rate cuts by the Fed. We believe that the market is too optimistic about an imminent rate cut and think that the current market upturn is a sentiment-driven rebound based solely on monetary policy. The consensus is strongly oriented towards a soft landing scenario with earnings per share growth expectations of +12% for 2024.

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

We disagree with an immediate shift by the Fed, as inflation has not yet reached the necessary 2% level, and certain macroeconomic risks persist. We would need to wait for more macro data in the next quarter to have a better understanding of the situation. We remain favorable to a market downturn in the first part of next year. To be more constructive, we would need to see an improvement in leading indicators, a continuation of strong corporate reports, and the persistence of a robust labor market... which we believe should deteriorate soon.

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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