



WEEKLY MARKET SUMMARY

Monday, January 27, 2025

Wall Street closed on Friday after a strong week, during which the S&P 500 reached its first all-time high of the year, finishing the week up 2.76%, while the Nasdaq rose 3.19% and the Dow Jones Industrial Average increased 2.95%.

The most notable event of the week was the inauguration of the President of the United States, Donald Trump, on Monday, coinciding with Martin Luther King Jr. Day.



RELEVANT NEWS

- **Shortly after taking office, Trump signed several executive orders, many of which were aimed at reversing the policies of the Joe Biden administration.** Although there was speculation about the immediate imposition of tariffs, Trump refrained from imposing them but hinted that Canada and Mexico could face such measures as early as February.
- **During his inaugural address, President Donald Trump reiterated his claim that China controls the Panama Canal.** On the other side of the coin, President Mulino emphasized once again that there was "no presence of any nation in the world that interferes with our administration" of the Panama Canal.
- **This week, the World Economic Forum was held in Davos, Switzerland, where Trump reiterated his stance of "buying American or facing tariffs,"** touching on topics such as oil prices, interest rates, Big Tech, and banking. However, in a subsequent interview on Fox News, he softened his tone, stating that he "would prefer not" to impose tariffs on China.
- **Investor confidence was boosted by a strong start to the earnings season,** highlighted by impressive quarterly results from Netflix. The company exceeded expectations in both revenue and profits. The main headline was that they added 18.9 million net subscribers, which doubled expectations, marking a significant victory for them.
- **To further increase optimism, Trump unveiled the Stargate Project,** a \$500 billion initiative over four years to expand artificial intelligence infrastructure. Looking ahead, market attention is now shifting to monetary policy, with the first interest rate decision of the year from the Federal Reserve scheduled for next week.
- **The economic calendar will also be quite busy.** Investors will receive updated information on the growth of the U.S. Gross Domestic Product, along with a reading of the Federal Reserve's preferred inflation indicator, the core Personal Consumption Expenditures Price Index.



MARKET MONITOR

GLOBAL EQUITY INDICES	Last	5 Days	1 Month	YTD
MSCI WORLD	3,856.78	2.09% ↗	2.70%	4.02%
MSCI EM	1,090.02	1.86% ↗	0.66%	1.35%
MSCI EM LATIN AMERICA	1,988.95	3.58% ↗	6.77%	7.36%
MSCI AC ASIA x JAPAN	707.04	1.67% ↗	-0.31%	0.42%
USA				
S&P 500 INDEX	6,101.24	2.76% ↗	2.18%	3.73%
NASDAQ COMPOSITE	19,954.30	3.19% ↗	1.18%	3.33%
DOW JONES INDUS. AVG	44,424.25	2.95% ↗	3.33%	4.42%
RUSSELL 2000 INDEX	2,307.74	1.81% ↗	2.81%	3.48%
EUROPE				
STXE 600 (EUR) Pr	530.07	1.23% ↗	4.51%	4.42%
Euro Stoxx 50 Pr	5,219.37	1.38% ↗	6.54%	6.61%
DAX INDEX	21,394.93	2.35% ↗	7.06%	7.46%
CAC 40 INDEX	7,927.62	2.83% ↗	7.78%	7.41%
FTSE MIB INDEX	36,200.72	-0.18% →	5.97%	5.89%
IBEX 35 INDEX	11,982.60	0.56% →	3.91%	3.34%
SWISS MARKET INDEX	12,287.28	2.48% ↗	6.02%	5.92%
FTSE 100 INDEX	8,502.35	-0.03% →	4.33%	4.03%
ASIA				
NIKKEI 225	39,931.98	3.85% ↗	-0.87%	0.09%
HANG SENG INDEX	20,066.19	2.46% ↗	-0.12%	0.03%
CSI 300 INDEX	3,832.86	0.54% →	-3.72%	-2.59%
SENSEX	76,190.46	-0.56% →	-3.19%	-2.49%
LATAM				
S&P/BMV IPC	51,357.31	2.84% ↗	4.19%	3.72%
BRAZIL IBOVESPA INDEX	122,446.90	0.08% →	1.81%	1.80%
MSCI COLCAP INDEX	1,415.45	1.74% ↗	2.43%	2.60%
S&P/CLX IPSA (CLP) TR	7,068.67	1.58% ↗	5.45%	5.34%

EQUITIES SECTORS	Last	5 Days	1 Month	YTD	
MSCI WRLD/COMM SVC	134.70	3.74% ↗	4.13%	5.83%	
MSCI WORLD/HLTH CARE	369.33	3.33% ↗	3.67%	4.68%	
PHILA GOLD & SILVER INDX	150.89	3.33% ↗	8.70%	10.00%	
MSCI WORLD/INDUSTRL	430.54	3.30% ↗	5.34%	6.32%	
MSCI WORLD BANK INDEX	136.89	2.19% ↗	6.84%	7.22%	
MSCI WORLD/INF TECH	810.38	1.94% ↗	0.21%	2.34%	
MSCI WORLD/FINANCEVAL	148.04	1.76% ↗	5.03%	5.63%	
MSCI WORLD/MATERIAL	339.19	1.69% ↗	4.78%	5.56%	
MSCI WORLD/CONS DIS	484.81	1.65% ↗	1.37%	3.57%	
MSCI WORLD/CON STPL	279.39	1.38% ↗	-0.84%	0.04%	
MSCI WORLD/UTILITY	168.98	0.42% →	2.78%	3.18%	
MSCI WORLD/ENERGY	257.04	-2.19% ↘	6.90%	5.60%	
US RATES					
	Last	5 Days	Close	12M Close	
2Y	4.27	4.28	-0.02	4.38	-0.11
5Y	4.43	4.43	-0.01	4.09	0.34
10Y	4.62	4.63	-0.01	4.18	0.45

COMMODITIES	Last	5 Days	1 Months	YTD
CRB INDEX	309.84	-0.48% →	6.28%	4.42%
WTI	74.66	-5.11% ↘	6.50%	4.10%
Brent	78.81	-4.12% ↘	7.61%	6.35%
US Natural Gas	4.03	-5.43% ↘	2.05%	10.85%
S&P GSCI Precious Metal	3,625.09	0.85% →	6.43%	6.31%
Gold	2,770.58	2.49% ↗	5.87%	5.57%
Silver	30.59	0.72% →	3.12%	5.82%
Platinum	951.45	0.75% →	0.54%	4.84%
Palladium	987.93	3.83% ↗	3.69%	8.25%
S&P GSCI Ind Metal Index	454.43	-0.14% →	2.29%	3.76%
Aluminum	2,641.00	-1.62% ↘	2.96%	3.51%
Copper	9,156.25	0.82% →	3.51%	5.82%
Nickel	15,462.09	-2.67% ↘	1.34%	2.32%
S&P GSCI Agriculture	394.03	3.51% ↗	4.75%	2.91%

KEY DATES FROM LAST WEEK

January 23

Initial Jobless Claims

Actual: 223K vs. Survey: 220K

January 24

University of Michigan Sentiment

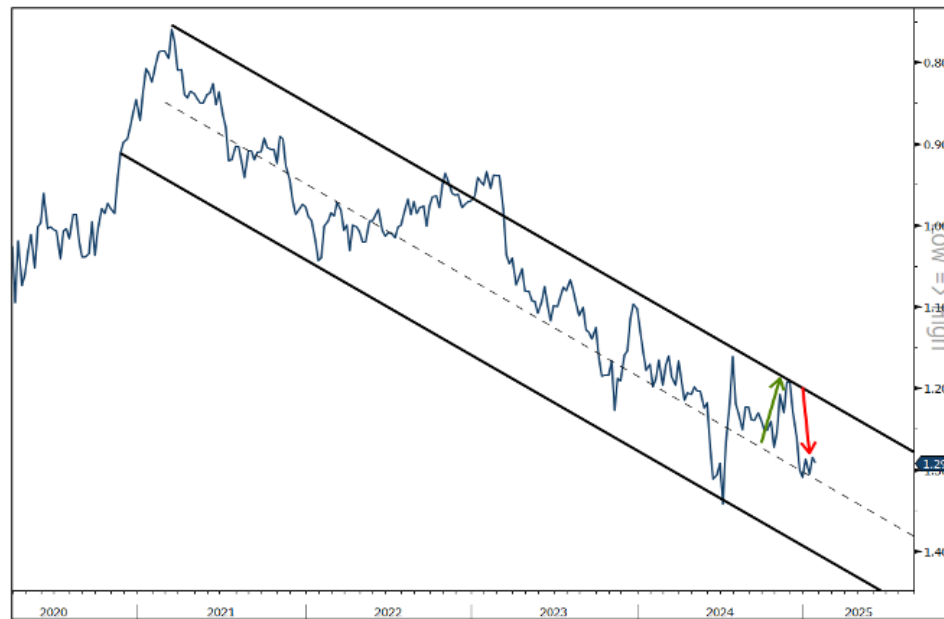
Actual: 71.1 vs. Survey: 73.2. Existing Home Sales

Actual: 4.24 million vs. Survey: 4.20 million.



TOPIC OF THE WEEK

Gráfico 1 : Russell 2'000 vs. S&P 100



Small Capitalizations Face Headwinds

Despite a significant rebound in November following the election of the new U.S. President and an impressive performance of +11% during the same month, the Russell 2000 has given up all its gains in December, nullifying any buy signals generated a month earlier. Technically, the Russell 2000 is deteriorating, breaking down from an ascending wedge formation and currently supported (so far) at the bottom of an upward channel. Fundamentally, small-cap companies seem to be struggling to play the role of outperformers that they typically have in a bullish environment. The Covid period has penalized small capitalizations and favored large ones in terms of treasury management and access to capital, to the extent that small capitalizations are now in a state of fundamental deterioration compared to large ones.

Find more information in our full report by visiting our website.

ASSET ALLOCATION VIEWS IN ON CAPITAL

The election of Donald Trump as president has changed the global landscape and boosted investor sentiment. However, strong payroll data is fueling market concerns about the trajectory of Fed policy.

Non-farm payrolls increased by 256,000 in December, the largest figure since March, exceeding all but one forecast in a Bloomberg survey of economists. The unemployment rate unexpectedly fell to 4.1%. Although demand for workers moderated and the unemployment rate rose in 2024, the economy still added 2.2 million jobs, down from the 3 million increase in 2023, but above the 2 million created in 2019.

Good economic news is turning into bad news for investors, who anticipate fewer rate cuts from the Fed and some challenges for companies to perform well in a high-interest-rate environment. 10-year U.S. yields are now the key driver of equity performance. Recent lower inflation figures have allowed yields to take a breather recently and have helped the stock market recover from the recent consolidation that began in early December.

Asset Class	U	N	O
Renta Fija			Green
Renta Variable		Yellow	
Alternativos		Yellow	Grey
Regions (Equity)			
North America		Yellow	
Europe	Red		
Emerging Markets		Yellow	
Japan		Yellow	

Equity Sectors	U	N	O
Consumer Staples			Green
Health Care		Yellow	
Telcom Services		Yellow	
Utilities		Grey	Green
Consumer Disc.	Red		
Energy		Yellow	
Financials			Green
Industrials			Green
Technology		Yellow	
Real Estate		Yellow	
Materials		Yellow	

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