



WEEKLY MARKET SUMMARY

Monday, February 10, 2025

Wall Street closed the week with a slight decline after a hectic few days in which the President of the United States, Donald Trump, made waves with his escalation of the trade war, a flood of fourth-quarter earnings reports, and a close examination of the latest labor market data.

For the week, the S&P finished at -0.24%, while the Nasdaq was down -0.53% and the Dow Jones fell -0.54%. The earnings season kept investors on edge, with major names like Amazon, Walt Disney, Uber, and Qualcomm presenting their quarterly results. This week, attention was focused on the labor market, culminating on Friday with the release of the January non-farm payroll report. The data showed a slowdown in job growth, but an unexpected drop in the unemployment rate.



RELEVANT NEWS

- **Trump has taken center stage this week with his tariff measures.** Last weekend, a 25% tariff on imports from Canada and Mexico came into effect. However, both countries expressed willingness to reach an agreement, leading Trump to put the tariffs on hold for the time being. Meanwhile, he approved a 10% tariff on Chinese products. China, unlike Canada and Mexico, was not as willing to cooperate and imposed its own tariffs on a range of U.S. products, such as liquefied natural gas and coal.
- **On Friday, Trump announced plans for "reciprocal tariffs";** if any country imposes tariffs on U.S. products, the United States will retaliate with the exact same tariff.
- **Regarding economic figures, this week the focus was on the labor market,** which culminated on Friday with the release of the January non-farm payroll report. The data showed a slowdown in job growth but an unexpected drop in the unemployment rate.
- **Non-farm payrolls grew by 143,000 jobs in January, below the 168,000 expected and the 307,000 recorded in December.** However, the previous month's figure was revised upward from the initial 256,000 jobs. On the positive side, the unemployment rate dropped to 4.0% from 4.1%, beating the consensus of 4.1%. This decline was attributed to the labor force participation rate increasing to 62.6% from 62.5% in the previous month.
- **Amazon's shares took a hit after the company announced sales and operating income below expectations.** Additionally, it revealed plans to invest a record amount of money in capital expenditures this year to develop its artificial intelligence infrastructure. Amazon's move aligns perfectly with the broader tech push, as other "Magnificent Seven" giants like Microsoft, Google, and Meta Platforms are also betting billions on AI, dedicating massive sums to AI-related capital expenditures in this fiscal year.
- **Pinterest had a stellar week,** reporting its first-ever quarter with \$1 billion in revenue and raising its sales outlook for the next period.



MARKET MONITOR

GLOBAL EQUITY INDICES	Last	5 Days	1 Month	YTD
MSCI WORLD	3,832.82	-0.10% →	4.20%	3.37%
MSCI EM	1,108.48	1.38% ↗	4.86%	3.07%
MSCI EM LATIN AMERICA	2,055.97	1.47% ↗	10.45%	10.98%
MSCI AC ASIA x JAPAN	717.64	1.30% ↗	4.25%	1.92%
USA				
S&P 500 INDEX	6,025.99	-0.24% →	3.41%	2.45%
NASDAQ COMPOSITE	19,523.40	-0.53% →	1.89%	1.10%
DOW JONES INDUS. AVG	44,303.40	-0.54% →	5.64%	4.13%
RUSSELL 2000 INDEX	2,279.71	-0.35% →	4.13%	2.22%
EUROPE				
STXE 600 (EUR) Pr	542.75	0.60% →	6.11%	6.92%
Euro Stoxx 50 Pr	5,325.40	0.73% →	6.99%	8.77%
DAX INDEX	21,787.00	0.25% →	7.78%	9.43%
CAC 40 INDEX	7,973.03	0.29% →	7.29%	8.02%
FTSE MIB INDEX	37,055.70	1.60% ↗	5.60%	8.39%
IBEX 35 INDEX	12,688.90	2.59% ↗	8.26%	9.43%
SWISS MARKET INDEX	12,593.34	-0.03% →	6.80%	8.55%
FTSE 100 INDEX	8,700.53	0.31% →	5.48%	6.45%
ASIA				
NIKKEI 225	38,787.02	-1.98% ↘	-1.03%	-2.78%
HANG SENG INDEX	21,133.54	4.49% ↗	10.85%	5.35%
CSI 300 INDEX	3,892.70	2.34% ↗	4.29%	-1.07%
SENSEX	77,860.19	0.46% →	0.62%	-0.36%
LATAM				
S&P/BMV IPC	52,817.75	1.47% ↗	6.49%	6.67%
BRAZIL IBOVESPA INDEX	124,619.40	-1.20% ↘	4.85%	3.60%
MSCI COLCAP INDEX	1,515.99	-0.38% →	7.90%	9.89%
S&P/CLX IPSA (CLP) TR	7,285.12	1.19% ↗	6.91%	8.57%

EQUITIES SECTORS	Last	5 Days	1 Month	YTD
MSCI WRLD/COMM SVC	136.53	-1.32% ↘	6.71%	7.26%
PHILA GOLD & SILVER INDX	161.02	4.56% ↗	10.80%	17.38%
MSCI WORLD/CON STPL	286.90	0.91% →	5.34%	2.72%
MSCI WORLD/HLTH CARE	373.85	-0.33% →	4.51%	5.95%
MSCI WORLD/CONS DIS	476.21	-2.75% ↘	3.34%	1.73%
MSCI WORLD/FINANCEVAL	150.48	0.70% →	8.83%	7.37%
MSCI WORLD BANK INDEX	140.11	1.65% ↗	9.53%	9.74%
MSCI WORLD/MATERIAL	340.61	0.85% →	6.51%	6.00%
MSCI WORLD/UTILITY	167.46	-0.04% →	3.30%	2.25%
MSCI WORLD/INDUSTRIL	420.73	-0.71% →	4.72%	3.90%
MSCI WORLD/ENERGY	251.91	0.98% →	0.38%	3.49%
MSCI WORLD/INF TECH	786.01	0.79% →	0.57%	-0.74%
US RATES				
	Last	5 Days	12M	Close
2Y	4.29	4.20	0.09	4.43
5Y	4.35	4.33	0.02	4.07
10Y	4.49	4.54	-0.04	4.12

COMMODITIES	Last	5 Days	1 Months	YTD
CRB INDEX	307.51	0.84% →	0.50%	3.64%
WTI	71.00	-2.11% ↘	-4.38%	-1.00%
Brent	74.29	-3.49% ↘	-4.56%	0.25%
US Natural Gas	3.31	8.71% ↗	-4.06%	-8.92%
S&P GSCI Precious Metal	3,733.69	1.76% ↗	5.55%	9.49%
Gold	2,861.07	2.24% ↗	8.02%	9.01%
Silver	31.82	1.63% ↗	5.87%	10.08%
Platinum	978.49	-0.41% →	2.91%	7.82%
Palladium	971.20	-4.44% ↘	4.41%	6.42%
S&P GSCI Ind Metal Index	456.65	2.75% ↗	2.14%	4.26%
Aluminum	2,628.00	1.31% ↗	4.39%	3.00%
Copper	9,287.61	4.02% ↗	4.51%	7.34%
Nickel	15,537.80	3.56% ↗	2.41%	2.82%
S&P GSCI Agriculture	402.48	1.51% ↗	5.59%	5.11%

KEY DATES FROM LAST WEEK

February 3

U.S. Global Manufacturing PMI by S&P
Actual: 51.2 vs. Survey: 50.1

February 4

Durable Goods Orders
Actual: -2.20% vs. Survey: -2.20%

February 5

ADP Employment Change
Actual: 183K vs. Survey: 150K

February 6

Initial Jobless Claims
Actual: 219K vs. Survey: 213K

February 7

Non-Farm Payrolls Change
Actual: 143K vs. Survey: 175K
Unemployment Rate
Actual: 4.00% vs. Survey: 4.10%
University of Michigan Sentiment
Actual: 67.8 vs. Survey: 71.8

ASSET ALLOCATION VIEWS IN ON CAPITAL

The market is starting to get nervous, as tariffs on Canada and Mexico, imposed by President Trump, are expected to take effect very soon. This decision marks the beginning of other actions that the market is starting to price in, which will create more volatility in the coming weeks.

January has been a good month for equities, supported by a correction in 10-year U.S. yields from 4.8% to 4.5%, providing some relief for equity investors. The Federal Reserve decided to keep the federal funds rate at 4.25%-4.5%. This is the first time in four meetings, since July of last year, that the Fed has left rates unchanged. Although the Fed lowered interest rates three consecutive times through December of last year, it is now willing to wait and see the impact of economic policies such as the strengthening of tariffs imposed by the Trump administration.

On the market side, traders are now expecting between 1 and 2 rate cuts in 2025. Chairman Powell noted that "uncertainty may be increasing" due to significant political changes, such as the strengthening of tariffs and the deportation of illegal immigrants.

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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