

Weekly Recap

USA

The week in the United States was marked by a shift in monetary policy, mixed economic data, and high-profile diplomatic moves. The Federal Reserve cut interest rates by 25 basis points, bringing them to a range of 4.00%–4.25%, in what was the first downward adjustment since last December. The decision responded to growing signs of cooling in the labor market, although inflation remains above the 2% target. Fed Chairman Jerome Powell said the move seeks to prevent further deterioration in employment and is part of a risk management strategy. FOMC projections anticipate two additional cuts before the end of the year and a more moderate path of easing toward 2026. The only dissenting vote was from Governor Stephen Miran, who supported a larger, half-point cut and forecasts a lower benchmark rate than the consensus toward the end of the year.

On the economic front, recent indicators paint a mixed picture. Retail sales expanded 0.6% in August, doubling expectations and repeating July's strong performance, confirming that consumption—the main driver of the U.S. economy—remains firm despite some weakness in the labor market. Industrial production rose slightly by 0.1%, driven by manufacturing, although it still reflects moderate momentum. In contrast, the real estate sector showed a deeper deterioration: housing starts fell 8.5% and permits fell 3.7%, reaching multi-year lows as a result of high financing costs and lower demand. On the labor front, initial jobless claims fell to 231,000 after the sharp rebound the previous week, easing concerns about an accelerated slowdown. In addition, the Philadelphia Fed Manufacturing Index surprised on the upside, rising to 23.2 in September, its highest level in eight months, suggesting some resilience in the industrial sector. On the other hand, figures released by the Treasury showed that foreign holdings of US bonds reached a record \$9.16 trillion in July, reflecting strong international confidence in the country's assets.

The political and diplomatic scene was dominated by contact between Donald Trump and Xi Jinping, who described their conversation as constructive. Xi asked Washington to avoid unilateral measures on trade and showed openness to facilitating an agreement on TikTok. Trump confirmed the approval of the agreement by the app's US subsidiary and highlighted progress on trade, the fight against fentanyl, and the war in Ukraine. The two leaders will meet at the APEC summit in October, and Trump plans to visit China in 2026. Meanwhile, Treasury Secretary Scott Bessent said the US will only impose sanctions on China for purchases of Russian crude oil if the European Union adopts similar measures.

EUROPE

The week in Europe left mixed signals in economic and political terms. The trade surplus fell to €12.4 billion in July, hit by a sharp rise in imports and a fall in exports, especially to the United States. In terms of activity, industrial production rebounded 0.3% after the previous month's contraction, while the ZEW confidence index rose to 26.1, showing moderate business optimism. Headline inflation remained at 2% in August for the third consecutive month, although core inflation at 2.3% reinforces the ECB's caution, which is inclined to keep rates unchanged.

UNITED KINGDOM

The UK showed stability in its labor market, with unemployment at 4.7% and wages growing 4.8% year-on-year, albeit at a slower pace. Headline inflation remained at 3.8% in August and core inflation fell to 3.6%, reinforcing signs of disinflation. The Bank of England kept its rate at 4%, with two votes for a cut, and announced that it will reduce its sovereign bond sales program by £70 billion.

ASIA

In Japan, annual inflation moderated to 2.7% in August, its lowest level since October 2024, while the Bank of Japan kept its rate at 0.5% and announced ETF and REIT sales as part of monetary normalization. In China, economic activity disappointed: retail sales grew 3.4% year-on-year and industrial production 5.2%, both below expectations. Unemployment rose to 5.3% and real estate investment fell 12.9%, reflecting persistent weakness in the sector.

Currency	Index	Level	Week	YTD	YTD (usd)	1 Year
Equity Market						
AMERICAS			1,52	14,15	14,15	20,48
USD	DOW JONES INDUS. AVG	46.315,27	1,10	10,28	10,28	13,09
USD	S&P 500 INDEX	6.664,36	1,25	14,37	14,37	19,56
USD	NASDAQ COMPOSITE	22.631,48	2,22	17,79	17,79	28,77
BRL	BRAZIL IBOVESPA INDEX	145.865,11	2,53	21,27	40,80	8,79
ARS	S&P Merval TR ARS	1.683.960,00	-4,31	-33,54	-53,55	-6,59
CLP	S&P/CLX IPSA (CLP) TR	9.007,14	0,19	34,23	40,04	42,22
MXN	S&P/BMV IPC	61.185,68	-0,97	26,99	43,99	21,10
EUROPE			0,01	17,44	31,77	19,98
EUR	Euro Stoxx 50 Pr	5.458,42	1,26	14,55	30,09	16,45
GBP	FTSE 100 INDEX	9.216,67	-0,71	15,97	24,90	15,75
EUR	DAX INDEX	23.639,41	-0,25	18,74	34,26	26,52
EUR	CAC 40 INDEX	7.853,59	0,36	9,53	24,38	8,93
EUR	FTSE MIB INDEX	42.312,28	-0,60	28,44	45,23	32,24
ASIA			0,12	48,25	25,95	40,23
JPY	NIKKEI 225	45.045,81	0,62	38,52	21,39	23,60
CNY	CSI 300 INDEX	4.501,92	-0,65	38,39	20,03	44,66
HKD	HANG SENG INDEX	26.545,10	0,39	67,83	36,42	52,43
GLOBAL						
USD	ISHARES MSCI ACWI ETF	137,76	1,03	18,14	18,14	20,37
USD	MSCI WORLD	4.279,34	0,66	17,02	17,02	20,04
USD	MSCI EM	1.345,83	1,57	28,09	28,09	27,16
USD	MSCI AC ASIA PACIFIC	221,28	0,49	24,38	24,38	24,22
USD	MSCI EM LATIN AMERICA	2.524,78	1,90	41,90	41,90	18,11
Fixed Income						
GLOBAL		1.225,11	-0,01	8,70	8,70	6,57
USD	Global Aggregate	501,01	0,07	8,11	8,11	2,75
USD	EM USD Aggregate	1.352,93	-0,15	8,40	8,40	7,04
USD	Global High Yield	1.821,41	0,06	9,60	9,60	9,91
Commodities						
USD	BBG Commodity	102,97	-0,79	4,27	4,27	6,42
USD	Oro	3.684,70	1,14	40,39	40,39	42,45
USD	WTI	62,71	0,03	-8,87	-8,87	-12,84
USD	Soja	375,82	0,02	0,07	0,07	1,26

th Source: Bloomberg. Information as of September 19, 2025, at market close.

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