

Weekly Recap

USA

The week in the United States was dominated by a series of economic, market, and political news stories that paint a complex picture as the third quarter draws to a close. On the economic front, data confirmed the strength of growth. Second-quarter GDP was revised upward to an annualized 3.8%, its highest level since 2023, driven by private consumption. Personal income grew 0.4% in August, while spending accelerated to 0.6%, the largest increase in five months, reflecting still-solid domestic demand despite persistently high prices. The real estate market surprised with a 20.5% jump in new home sales, the best performance since early 2022, while the goods trade deficit fell to USD 85.5 billion, well below expectations. However, leading indicators suggested some moderation: the composite PMI fell to 53.6 points in September from 54.6 in August, and consumer confidence as measured by the University of Michigan fell to 55.1 points, the lowest since May. On the inflation front, the PCE rose 0.3% month-on-month in August, bringing the annual rate to 2.7%, while the core rate remained at 2.9%. These data, together with stronger durable goods orders and unemployment claims at their lowest since July, led markets to moderate their expectations of rate cuts by the Federal Reserve towards the end of the year.

In financial markets, appetite for safe assets remained evident, with money market funds reaching a record USD 7.7 trillion. However, signs of stress emerged in the USD 1.7 trillion private credit market, with rising default rates and more borrowers deferring cash payments. On the real estate front, in addition to the strong rebound in new homes (+20.5%), existing home sales exceeded expectations, although they remained virtually flat. Meanwhile, rate futures reflected reduced expectations for Fed cuts, now estimating just 40 bps of monetary easing by December, compared to the 58 bps discounted after the last FOMC meeting.

In politics, protectionism returned to the scene with new tariffs: Trump announced a 100% tariff on non-locally produced brand-name drugs and a 25% tariff on heavy trucks, furniture, and cabinets, intensifying pressure on supply chains and trading partners. The threat of a government shutdown intensified: the House approved a fiscal extension until November 21, while the Senate remains divided and the White House instructed staff cuts. Internationally, the US is negotiating a USD 20 billion swap with Argentina, conditional on reducing its dependence on China, which stabilized its bonds.

EUROPE

Consumer confidence improved in September, supported by lower financing costs and recent disinflation. However, the manufacturing sector weakened again: the PMI fell to 49.5 points, reflecting the sharpest contraction in new orders since February. On the other hand, services and the composite PMI continued to expand, with the highest activity in 16 months. Inflation expectations rose slightly to 2.8%, their highest level in three months. We also highlight that the European Union announced that it will impose tariffs of between 25% and 50% on steel from China to protect local industry.

UNITED KINGDOM

Leading indicators reflected a slowdown in activity. The services PMI fell sharply to 51.9, while manufacturing deepened its contraction to 46.2. As a result, the composite PMI fell to 51, the lowest level since May, showing a clear slowdown compared to August's strong performance. Increased geopolitical uncertainty and a subdued domestic environment continue to limit growth.

ASIA

In Japan, September PMIs showed less momentum, with the composite index at 51.1 points, manufacturing in contraction (48.4), and services barely expanding (53). The Bank of Japan's minutes reflected openness to future rate hikes, while nominal wages grew 3.4% year-on-year in July, but adjusted for inflation, they fell 0.2%, evidencing pressure on consumption. In China, the government announced that it will renounce its "developing country" status in the WTO in response to international criticism.

Currency	Index	Level	Week	YTD	YTD (usd)	1 Year
Equity Market						
AMERICAS			-0,36	13,73	13,73	17,70
USD	DOW JONES INDUS. AVG	46.247,29	-0,15	10,11	10,11	11,51
USD	S&P 500 INDEX	6.643,70	-0,30	14,03	14,03	16,91
USD	NASDAQ COMPOSITE	22.484,07	-0,64	17,04	17,04	24,68
BRL	BRAZIL IBOVESPA INDEX	145.446,66	-0,29	20,92	39,86	10,43
ARS	S&P Merval TR ARS	1.791.046,00	6,36	-29,31	-44,93	1,36
CLP	S&P/CLX IPSA (CLP) TR	9.023,05	0,18	34,47	38,80	40,36
MXN	S&P/BMV IPC	62.307,07	1,81	29,32	46,72	20,92
EUROPE			0,66	18,22	31,94	18,31
EUR	Euro Stoxx 50 Pr	5.499,70	0,84	15,51	30,51	14,21
GBP	FTSE 100 INDEX	9.284,83	0,75	16,84	25,05	15,38
EUR	DAX INDEX	23.739,47	0,42	19,24	34,14	24,40
EUR	CAC 40 INDEX	7.870,68	0,38	9,94	24,22	6,27
EUR	FTSE MIB INDEX	42.646,23	0,88	29,57	45,77	31,28
ASIA			0,06	48,20	25,37	28,74
JPY	NIKKEI 225	45.354,99	0,35	39,48	20,83	18,79
CNY	CSI 300 INDEX	4.550,05	0,64	39,90	21,07	31,80
HKD	HANG SENG INDEX	26.128,20	-0,80	65,22	34,22	35,63
GLOBAL						
USD	ISHARES MSCI ACWI ETF	137,34	-0,30	17,78	17,78	17,18
USD	MSCI WORLD	4.252,35	-0,95	16,29	16,29	17,15
USD	MSCI EM	1.343,82	0,24	27,93	27,93	21,48
USD	MSCI AC ASIA PACIFIC	220,42	-0,02	23,90	23,90	19,40
USD	MSCI EM LATIN AMERICA	2.522,05	-0,15	41,81	41,81	19,08
Fixed Income						
GLOBAL		1.225,85	0,04	8,59	8,59	6,31
USD	Global Aggregate	497,45	-0,57	7,34	7,34	1,99
USD	EM USD Aggregate	1.357,34	0,52	8,75	8,75	7,39
USD	Global High Yield	1.822,78	0,19	9,68	9,68	9,55
Commodities						
USD	BBG Commodity	105,10	2,07	6,42	6,42	4,27
USD	Oro	3.762,97	2,11	43,39	43,39	40,81
USD	WTI	65,32	4,21	-4,66	-4,66	-3,47
USD	Soja	371,43	-1,12	-1,10	-1,10	-2,59

th Source: Bloomberg. Information as of September 26, 2025, at market close.

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