

# Weekly Recap

## USA

In the monetary sphere, tensions persist over the relationship between President Donald Trump and the Federal Reserve. Conflicting reports about a possible intention to remove Fed Chair Jerome Powell from office have created uncertainty in the markets and limited the rise in long-term yields. Trump has renewed his push for lower interest rates, and any future appointment he makes to lead the Fed is expected to reinforce a more accommodative stance within the FOMC. This raises long-term inflation risks and fuels fears that the Fed could lose control over the long end of the yield curve.

At the same time, the US administration announced that letters will be sent to more than 150 countries informing them of their respective tariff rates. Trump anticipated that these tariffs will likely be in the range of 10% to 15%, in line with market expectations prior to the recent announcements.

In June, annual inflation in the United States accelerated for the second consecutive month, reaching 2.7%, the highest level since February, in line with market expectations. In monthly terms, the consumer price index (CPI) rose 0.3%, marking its largest increase in five months, driven mainly by higher housing prices (+0.2%) and gasoline (+1%).

Core inflation, which excludes food and energy, stood at 2.9%, after three months at 2.8%, although below projections of 3%. In monthly terms, core CPI rose 0.2%, also below expectations.

On the other hand, producer prices remained unchanged in June, following a revised increase of 0.3% in May, defying forecasts of a 0.2% increase. Core producer prices also remained stable.

Industrial production grew 0.3%, exceeding the 0.1% forecast, after remaining stagnant in April and May. Retail sales rose 0.6% month-on-month, reversing the declines of the previous two months and far exceeding expectations of 0.1%. The largest increases were seen in miscellaneous stores (+1.8%), vehicles and parts (+1.2%), construction materials (+0.9%), and clothing (+0.9%).

On the other hand, we highlight that the second quarter corporate earnings season began, with major banks reporting solid results: JPMorgan, Bank of America, Morgan Stanley, Goldman Sachs, and Wells Fargo.

## EUROPE

This week, the European Union showed economic improvements: industrial production rose 1.7% month-on-month in May and the trade surplus widened to €16.2 billion, compared to €12.7 billion a year ago, thanks to a rebound in exports (+0.9%) and a decline in imports (-0.6%).

Inflation remained at 2% annually, in line with the ECB's target, although there was pressure in services. Retail sales in the eurozone rose 1.8% year-on-year and Sentix investor confidence rose to 4.5 points in July. In addition, we highlight that the ZEW economic confidence index rose to 36.1 points in July, the highest level in four months, although below the forecast of 37.8.

Finally, we highlight that, in Germany, industrial production surprised on the upside with growth of 1.0%, compared to the expected decline of 0.3%.

## UNITED KINGDOM

In June, UK retail sales grew 2.7% year-on-year, far exceeding expectations. However, inflation rose to 3.6%, its highest level since January, driven by higher transport and fuel prices. The unemployment rate rose to 4.7% and wages grew 5%, their slowest pace in eight months.

## ASIA

China's GDP grew 1.1% quarter-on-quarter in Q2 2025, exceeding the forecast of 0.9%, although slowing from 1.2% in the previous quarter. This growth was supported by government support measures, including tax cuts and liquidity injections. Retail sales rose 4.8% year-on-year in June, down from 6.4% in May and below the 5.6% forecast, reflecting a slowdown in consumption.

Industrial production grew 6.8% year-on-year in June, up from 5.8% in May and exceeding the consensus forecast of 5.6%, marking its strongest growth since March, driven by fiscal and monetary stimulus measures.

Currency	Index	Level	Week	YTD	YTD (usd)	1 Year
Equity Market						
AMERICAS			0,69	7,22	7,22	13,65
USD	DOW JONES INDUS. AVG	44.342,19	-0,05	5,20	5,20	9,87
USD	S&P 500 INDEX	6.296,79	0,61	7,83	7,83	14,17
USD	NASDAQ COMPOSITE	20.895,66	1,51	8,62	8,62	16,91
BRL	BRAZIL IBOVESPA INDEX	133.364,27	-2,07	10,88	22,93	4,72
ARS	S&P Merval TR ARS	2.078.208,00	3,53	-17,98	-34,16	35,53
CLP	S&P/CLX IPSA (CLP) TR	8.162,61	-0,84	21,65	25,23	24,99
MXN	S&P/BMV IPC	56.264,04	-0,49	16,42	29,65	9,50
EUROPE			0,15	15,54	28,43	17,72
EUR	Euro Stoxx 50 Pr	5.359,23	-0,45	12,32	26,21	13,43
GBP	FTSE 100 INDEX	8.992,12	0,57	12,36	20,43	13,58
EUR	DAX INDEX	24.289,51	0,14	22,00	36,50	32,18
EUR	CAC 40 INDEX	7.822,67	-0,08	9,07	22,55	6,64
EUR	FTSE MIB INDEX	40.311,99	0,58	21,95	36,44	22,77
ASIA			1,59	34,21	13,06	21,56
JPY	NIKKEI 225	39.819,11	0,91	22,37	6,63	1,18
CNY	CSI 300 INDEX	4.058,55	1,28	24,28	6,94	18,69
HKD	HANG SENG INDEX	24.825,66	2,57	55,99	25,62	44,82
GLOBAL						
USD	ISHARES MSCI ACWI ETF	129,76	0,43	11,28	11,28	14,57
USD	MSCI WORLD	4.060,51	0,35	10,74	10,74	14,63
USD	MSCI EM	1.241,25	1,04	17,56	17,56	14,79
USD	MSCI AC ASIA PACIFIC	203,23	0,58	13,72	13,72	11,35
USD	MSCI EM LATIN AMERICA	2.279,37	0,32	27,08	27,08	4,85
Fixed Income						
GLOBAL		1.189,55	-0,30	5,70	5,70	7,96
USD	Global Aggregate	490,30	-0,43	5,80	5,80	5,20
USD	EM USD Aggregate	1.306,72	-0,22	4,69	4,69	7,72
USD	Global High Yield	1.771,63	-0,25	6,61	6,61	10,97
Commodities						
USD	BBG Commodity	105,12	1,24	6,44	6,44	5,28
USD	Oro	3.349,99	-0,17	27,63	27,63	37,01
USD	WTI	67,36	-1,59	-3,04	-3,04	-18,67
USD	Soja	376,28	2,32	-0,53	-0,53	-6,49

Source: Bloomberg. Information as of July 18, 20<sup>th</sup> , 2025, at market close.

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