JANUARY-16-2026

BALLESTAS GROUP
PRIVATE WEALTH MANAGEMENT

Weekly Recap

USA

During the week, the United States combined trade policy announcements with a barrage of relevant economic data. On the political-trade front, the White House described the imposition of 25% tariffs on certain advanced semiconductors for national security reasons as "phase one," leaving the door open for further measures. At the same time, Donald Trump's administration applied a similar tax to some artificial intelligence chips, including products from Nvidia and AMD. Washington also signed a trade agreement with Taiwan that seeks to strengthen domestic semiconductor production, with investments of USD 250 billion and the construction of new plants in Arizona, in exchange for a reduction in tariffs on Taiwanese goods. We also note that Trump moderated his stance on Iran, which eased geopolitical tensions, caused oil prices to fall, and sustained risk appetite.

In terms of activity, the real estate sector showed strong signs. Existing home sales grew 5.1% month-on-month in December, reaching their highest level in almost three years, while new home sales remained close to two-year highs, exceeding market expectations. Consumption also contributed positively, with a 0.6% monthly rebound in retail sales in November, driven by a rebound in cars and strong year-end shopping.

On the inflation front, producer prices rose 0.2% monthly in November, in line with expectations, although the core component remained unchanged, surprising on the downside. Meanwhile, the CPI for December showed a 0.3% monthly increase, with annual core inflation at 2.6%, the lowest since March 2021. Finally, the fiscal deficit widened in December, reaching USD 144.7 billion, while small business optimism improved again and stood above its historical average.

The Q4 2025 earnings season in the US began with reports from large banks and companies such as TSMC and Delta. Against a backdrop of geopolitical tensions, strong data from banks and TSMC boosted the technology sector and sustained expectations of a continued stock market rally. Currently, only 31 companies comprising the S&P 500 index have reported, equivalent to 6.2%. The S&P 500 is projected to grow earnings by 8.3% year-on-year, marking ten consecutive quarters of increases. Revenue is expected to increase by 7.7% year-on-year, the second-highest since Q3 2022, consolidating 21 consecutive quarters of growth. These results will be key to market confidence.

EUROPE

In the Eurozone, industrial activity performed better than expected. Industrial production grew 0.7% month-on-month in November, matching October's pace and exceeding market forecasts. In contrast, the external front showed signs of weakening: the trade surplus fell to €9.9 billion from €15.4 billion a year ago, mainly affected by a sharper decline in exports than in imports.

UNITED KINGDOM

The UK economy showed a slight improvement towards the end of the year. In the three months to November, GDP grew by 0.1%, exceeding expectations and leaving behind the previous stagnation. Manufacturing output stood out with a monthly increase of 2.1%, the highest in nine months. The trade deficit narrowed thanks to an increase in exports. In contrast, consumption lost momentum: retail sales grew 1% year-on-year in December, the lowest rate in seven months, reflecting households' caution in the face of cost pressures.

ASIA

China reinforced its expansionary bias: the People's Bank announced cuts in sectoral rates and left the door open to further cuts and reductions in reserve requirements. On the external front, exports and imports ended the year with solid performance, signaling a stabilization of trade.

In Japan, producer prices moderated their growth, reinforcing the idea of lower inflationary pressures. In the markets, the Japanese stock market showed positive weekly gains, while Chinese stocks performed mostly negatively, with caution and volatility.

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CRNCY	Index	Level	Week	YTD	YTD (usd)	1 Year
	Equity Market					
AMERICAS			-0,43	1,78	1,78	18,65
USD	DOW JONES INDUS. AVG	49.359,33	-0,28	2,74	2,74	16,37
USD	S&P 500 INDEX	6.940,01	-0,36	1,43	1,43	18,18
USD	NASDAQ COMPOSITE	23.515,39	-0,66	1,19	1,19	21,41
BRL	BRAZIL IBOVESPA INDEX	164.657,19	0,79	2,19	4,26	34,99
ARS	S&P MERVAL TR ARS	2.933.230,00	-5,06	-3,88	-2,29	8,22
CLP	S&P/CLX IPSA (CLP) TR	11.156,73	2,08	6,44	8,27	60,70
MXN	S&P/BMV IPC	67.193,35	1,76	4,55	6,63	37,95
EUROPE			0,15	2,76	1,60	24,97
EUR	Euro Stoxx 50 Pr	6.029,45	0,57	4,16	2,92	23,88
GBP	FTSE 100 INDEX	10.235,29	1,12	3,10	2,55	27,65
EUR	DAX INDEX	25.297,13	0,14	3,29	1,89	23,22
EUR	CAC 40 INDEX	8.258,94	-1,23	1,35	0,14	14,98
EUR	FTSE MIB INDEX	45.799,69	0,18	1,90	0,52	35,14
ASIA			1,21	4,73	4,35	37,56
JPY	NIKKEI 225	53.936,17	3,84	7,14	5,93	42,55
CNY	CSI 300 INDEX	4.731,87	-1,14	2,29	2,56	28,02
HKD	HANG SENG INDEX	26.844,96	0,92	4,77	4,57	42,10
GLOBAL						
USD	ISHARES MSCI ACWI ETF	145,00	0,17	2,48	2,48	24,30
USD	MSCI WORLD	4.518,15	0,18	2,02	2,02	22,81
USD	MSCI EM	1.478,25	1,80	5,30	5,30	43,88
USD	MSCI AC ASIA PACIFIC	239,72	2,44	5,31	5,31	38,82
USD	MSCI EM LATIN AMERICA	2.870,69	1,85	6,09	6,09	58,34
	Fixed Income					
GLOBAL		1.252,17	0,08	0,00	0,00	10,66
USD	Global Aggregate	500,42	-0,01	-0,17	-0,17	8,67
USD	EM USD Aggregate	1.388,86	0,16	0,15	0,15	11,31
USD	Global High Yield	1.867,22	0,09	0,26	0,26	12,00
	Commodities					
USD	BBG Commodity	113,59	1,31	3,56	3,56	9,44
USD	Oro	4.593,15	1,85	6,31	6,31	69,22
USD	WTI	59,45	0,56	3,52	3,52	-24,44
USD	Soja	386,90	0,74	0,84	0,84	3,66

Source: Bloomberg. Information as of January 16, 2026, at market close.