

Key weekly points:

July 21, 2025

- U.S. Consumer sentiment rose to a five-month high in July, though it remains 16% below December 2024 levels. Inflation expectations for the year ahead declined for a second consecutive month.
- June retail sales rose 0.6% month-over-month, the strongest since March, beating expectations. Jobless claims fell to 221,000, the lowest since April. Industrial production and the Philadelphia Fed Index both surprised to the upside.
- June's CPI and PPI both came in below expectations, though early signs of tariff-related price pressures emerged in goods such as furniture and household items.
- Speculation about U.S. President Trump possibly removing Fed Chair Powell added volatility, although Trump later stated that such a move was unlikely. Concerns over tariff risks and Fed independence persisted.
- Second-quarter earnings season started strong. Financials led earnings surprises, with JPMorgan Chase and Wells Fargo both beating expectations. However, cautious outlooks and valuation concerns limited stock reactions. General Electric also exceeded forecasts. Alphabet earnings came out this week.
- The S&P 500 rose 0.6% for the week, ending just below its all-time high and gaining 1.5% in July and 7.1% year to date. The NASDAQ climbed 1.5%, notching a new record close, while the Dow Jones posted a slight weekly decline of 0.1%. Small caps underperformed for the week, with the Russell 2000 rising just 0.23% on the week.
- Technology-led sector performance, up 2.1% on the week, followed by utilities at 1.6%. NVIDIA advanced nearly 4% after receiving approval to resume AI chip sales in China. Advanced Micro Devices rose 7.2%, while Netflix reported strong earnings but saw mixed stock performance.
- U.S. Treasury yields were volatile, with the long end of the curve under pressure amid speculation over potential changes to Federal Reserve leadership. The 30-year yield briefly rose above 5% before retreating.
- Despite stronger-than-expected retail sales and jobless claims, fixed income markets responded to dovish Federal Reserve commentary and soft inflation data, contributing to a bull steepening of the yield curve.
- Interest rate futures now price approximately 1.7 rate cuts for the remainder of 2025. Fed Governor Kugler and San Francisco Fed's Daly reinforced a cautious tone, signaling potential easing ahead but not immediately.
- U.S. Corporate credit spreads were range bound amid a relatively quiet week for new issuance as most of the companies were on blackout period ahead of earnings release. Financial companies started to issue debt after their earnings reports.
- EM Fixed Income retraced as the long end of the U.S. Treasury curve was under pressure and the dollar index gained value. Major EM currencies lost value as the independence of the FED and U.S. institutions was under pressure again but later clarified by Trump.

Global Equity Markets

Major Equity Indexes

United States	Value	WTD	MTD	YTD
S&P 500	6,296.8	0.59%	1.48%	7.06%
Dow Jones	44,342.2	-0.07%	0.56%	4.23%
Nasdaq	20,895.7	1.51%	2.58%	8.21%
Russell 2000 (US Small Cap)	2,240.0	0.23%	2.99%	0.44%
Europe	Value	WTD	MTD	YTD
Euro Stoxx (Euro)	5,359.2	-0.45%	1.06%	9.46%
FTSE 100 (UK)	8,992.1	0.57%	2.64%	10.02%
CAC 40 (France)	7,822.7	-0.08%	2.04%	5.99%
DAX (Germany)	24,289.5	0.14%	1.59%	22.00%
Ibex 35 (Spain)	13,989.0	-0.14%	-0.02%	20.65%
Asia	Value	WTD	MTD	YTD
Nikkei (Japan)	39,819.1	0.63%	-1.65%	-0.19%
Hang Seng (Hong Kong)	24,825.7	2.84%	3.13%	23.76%
CSI 300 (China)	4,058.6	1.09%	3.11%	3.14%
Latam	Value	WTD	MTD	YTD
Brazil Bovespa	133,381.6	-2.06%	-3.94%	10.89%
Mexico	56,273.5	-0.57%	-2.05%	13.65%
Volatility	Value	7d	30d	Start of Year
VIX	16.4	16.4	20.1	17.9

Global Fixed Income Markets

Government Bonds Yields

United States	Value	7d	30d	Start of Year
FED Rate (Effective Rate)	4.33	4.33	4.33	4.33
US Treasury 2y	3.87	3.89	3.94	4.24
US Treasury 10y	4.42	4.41	4.39	4.56
International	Value	7d	30d	Start of Year
Germany 10y	2.69	2.72	2.50	2.38
France 10y	3.40	3.41	3.21	3.23
UK 10y	4.67	4.62	4.49	4.59
LatAm (USD)	Value	7d	30d	Start of Year
Brazil 10y	6.60	6.58	6.67	7.15
Mexico 10y	6.18	6.06	6.19	6.68
Colombia 10y	7.80	7.83	8.05	7.72
Dom Rep 10y	6.45	6.47	6.57	6.66
Panama 10y	6.99	6.94	7.01	7.71
Salvador 10y	8.19	8.14	8.30	8.05
Corporate Spreads	Value	7d	30d	Start of Year
US Investment Grade (IG)	0.77	0.80	0.85	0.80
US High Yield (HY)	2.83	2.83	3.04	2.82
EM Latam	2.94	2.88	3.08	3.30
CDX EM*	97.62	97.60	96.97	97.03

Commodities

	Value	WTD	MTD	YTD
Oil (WTI)	67.3	-1.62%	3.42%	-6.11%
Gold (Spot - USD/Oz)	3,349.9	-0.17%	1.42%	27.64%
Silver (Spot - USD/Oz)	38.5	-1.26%	6.34%	27.52%
Copper (USD/MT)	9,778.5	1.22%	-0.92%	11.52%
Zinc (USD/MT)	2,818.5	2.92%	2.44%	-5.37%
Bitcoin	117,489.1	-0.21%	9.18%	25.37%

Foreign Exchange Markets

	Value	WTD	MTD	YTD
Dollar Index (DXY)	98.48	0.64%	1.66%	-9.22%
Euro	1.16	-0.54%	-1.37%	12.29%
UK Pound	1.34	-0.57%	-2.30%	7.19%
Brazilian Real	5.58	-0.39%	-2.66%	10.62%
Mexican Peso	18.75	-0.60%	0.00%	11.10%
Colombian Peso	4015.52	-0.34%	1.82%	9.75%
Chilean Peso	964.58	-0.62%	-3.43%	3.31%
Dominican Peso	60.46	-0.28%	-1.39%	1.06%
Costa Rican Colon	504.41	0.10%	0.25%	1.23%

Source: Bloomberg. As of July 18, 2025. *Markit CDX Emerging Markets Index is quoted in price.

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