

The Producer Price Index fell 44.33% to 2.75%, Delta Airlines' 1Q-23 earnings swung to a loss, and Wall Street closed higher.

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The U.S. & European stock markets closed the session higher, pushed by the much better-than-expected Producer Price Index (PPI) reading that fell to 2.75%, a 44.33% decrease compared to last month's 4.94% reading and beating the 3.00% forecast by 8.33%; however, compared to the highest level of 9.75% recorded in July 2022, the decrease is an astounding 71.79%.

Both metrics are keys for the Federal Reserve to gauge if inflation and the jobs markets are moving downward to determine the path of the interest rate campaign.

The market has set a 60% possibility that the Fed will increase rates by 25 basis points during its May meeting. We predict that the Fed will raise rates in May before pausing to allow the economy to reset.

The combination of the CPI falling by 45% and the PPI by 44.33% is the most persistent trend that inflation is heading down sharply, also because companies that produce goods have begun to experience better margins on the pricing of supplies and the supply chain issues have greatly diminished.

Corporate Earnings Parade:

- **Delta Airlines (DAL):** reported 1Q23 revenues of \$11.84 billion, up 45%, and a Net Loss of (\$363) million compared to a loss of (\$940) the previous quarter. The earnings per share were (\$0.57), below the estimate of \$0.2919. The stock has a price objective of \$51.16.
- The Corporate Earnings Parade for tomorrow included the following giants.
 - **JP Morgan Chase (JPM)**
 - **Citigroup (C)**
 - **Wells Fargo (WFC), and**
 - **BlackRock (BLK)**

The results of these financial services companies are critical not only for their exposure to all sectors in both consumers and corporations, but their results shall be an insightful window of the broader shape of banks small, regional, and money center banks. Currently, the earnings estimate for S&P 500 companies for the quarter are expected to fall by -6.8%, and if achieved, it will be the sharpest decline since Q2 of 2022.

Key Economic Data:

- **U.S. Producer Price Index YoY:** fell to 2.75%, compared to 4.94% last month.
- **U.S. Core Producer Price Index YoY** is at 3.40%, compared to 4.81% last month.

- **U.S. Initial Claims for Unemployment Insurance:** 239,000, up from 228,000 last week, an increase of 4.82%.
- **30-Year Mortgage Rate:** fell to 6.28%, compared to 6.32% last week.
- **Eurozone Industrial Production Index YoY:** rose to 2.00%, compared to 1.00% last month.
- **Germany Consumer Price Index YoY:** fell to 7.40%, compared to 8.70% last month.
- **U.K. Industrial Production Index YoY:** -3.10%, compared to -3.20% last month.
- **China Exports YoY:** rose to 14.31%, compared to -7.05% last month.
- **China Imports YoY:** is at -0.57%, compared to -9.17% last month.
- **China Trade Balance:** rose to \$88.19 billion, up from \$58.44 billion last month, increasing by 50.89%.

Puerto Rico COVID-19 Update April 13:

- Daily Cases: 29
- Positivity Rate: 10.01%
- Hospitalizations: 74
- Deaths: 1
- Source P R. Department of Health.

Eurozone Summary for April 13:

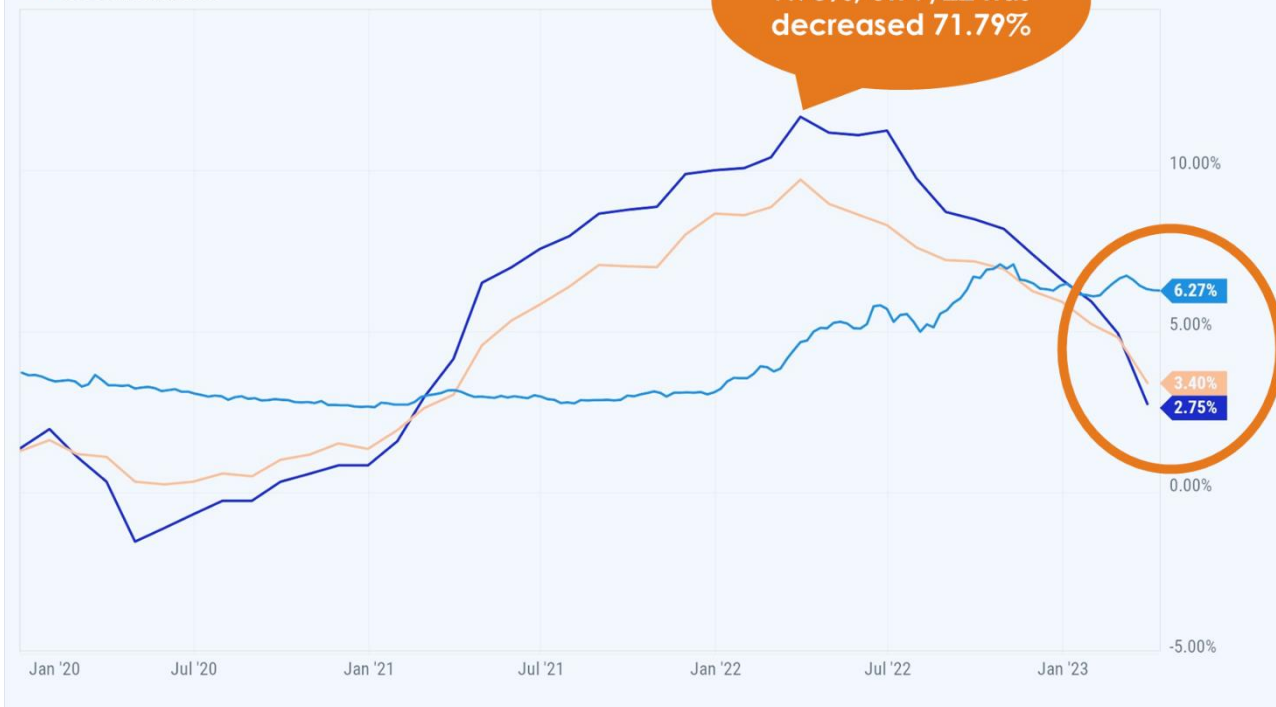
- Stoxx 600 closed at 464.40, up 2.02 points or 0.44%.
- FTSE 100 closed at 7,843.38, up 18.54 points or 0.24%.
- Dax Index closed at 15,729.46, up 25.86 points or 0.16%.

Wall Street Summary for April 13:

- Dow Jones Industrial Average closed at 34,029.69, up 383.19 or 1.14%.
- S&P 500 closed at 4,146.22, up 54.27 points or 1.33%.
- Nasdaq Composite closed at 12,166.27, up 236.93 points or 1.99%.
- Birling Capital Puerto Rico Stock index closed at 2,296.03, down 19.08 points or 0.82%.
- Birling Capital U.S. Bank Stock Index closed at 3,582.52, down 3.50 points or 0.10%.
- U.S. Treasury 10-year note closed at 3.45%.
- U.S. Treasury 2-year note closed at 3.96%.

Producer Price Index, Core Producer Price Index & 30-Year Mortgage Rate

- US Producer Price Index YoY
- US Core Producer Price Index YoY
- 30 Year Mortgage Rate



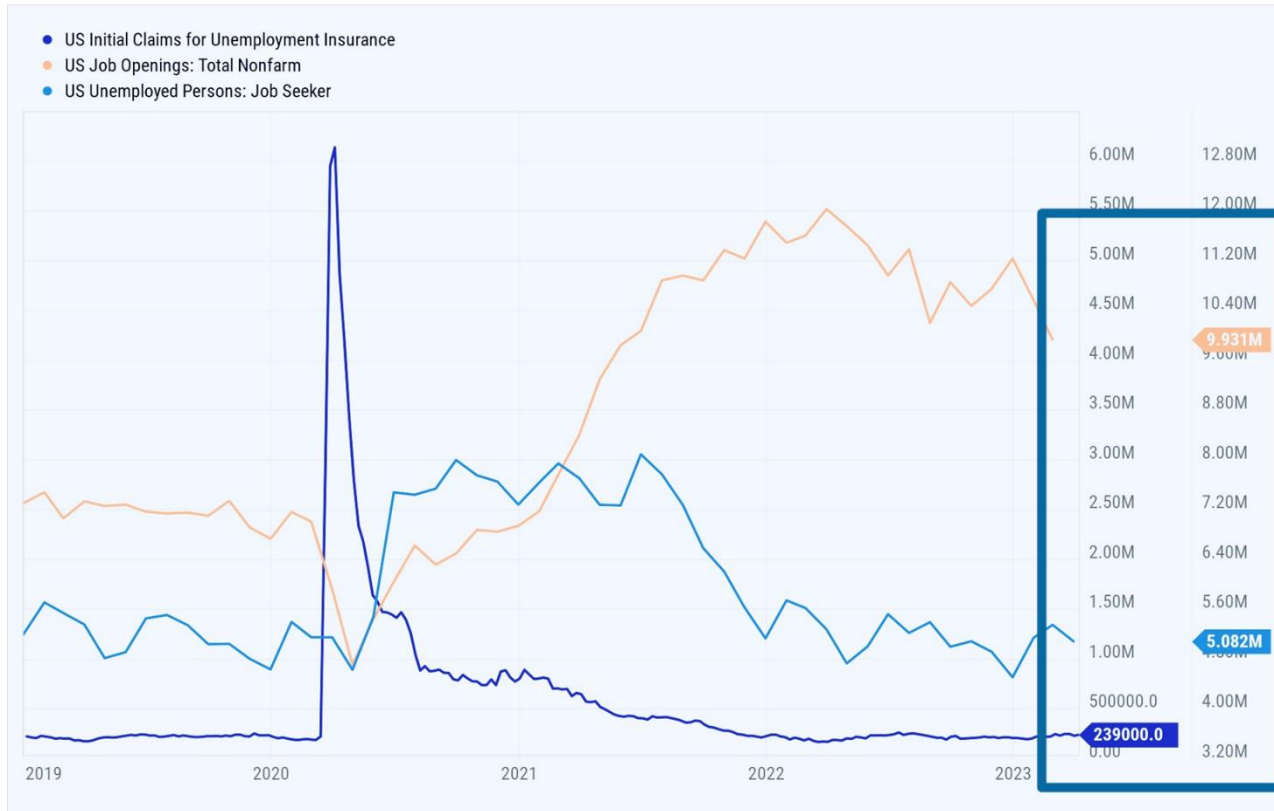
Eurozone Industrial Production Index, Germany CPI & UK Industrial Production Index

- Eurozone Industrial Production Index YoY (I:ECIPN0K1)
- Germany Consumer Price Index YoY (I:GCCPNGCS)
- UK Industrial Production Index YoY (I:UKCIPIP)

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US Claims for Unemployment rose to 239,000, up 4.82%.





Wall Street Recap April 13, 2023



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