GLOBAL MARKET SQUARE

BIRLING CAPITAL ADVISORS, LLC

Oriental Bank reports earnings that rose 18.83%, beating estimates; claims for Unemployment rose to 245,000, and Wall Street closed down.

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The U.S. & European stock markets dived as mixed signals from weakening economic data and several corporate earnings that are surprised with missing earnings expectations, which is turning investor sentiment negative. Oriental Bankico-based OFG Bancorp. the bank holding company of Oriental Bank, reported earnings that blew past expectations increasing 18.83%; on the negative side, those reporting disappointing earnings include Tesla, American Express, and AT&T, among others. On the economic front, the initial jobless claims that rose to 245,000 came in higher than the consensus estimates of 240,000, showing that the recent layoffs are impacting the labor markets; this is the first alarm bell that a recession may be heading our way.

Corporate Earnings Parade:

- **American Express Co (AXP)** reported 1Q23 revenues of $14.281 billion, up 22%, and a net income of $1.816 billion, down 13%, which beat estimates. The earnings per share were $2.40, missing the forecast of $2.669. The stock closed at $163.28, down $1.67 or 1.01%, with a price objective of $181.19.
- **OFG Bancorp (OFG)** reported 1Q23 revenues of $164.4 million, up 17.03%, and a net income of $46.29 million, increasing 18.83%, which beat estimates. The earnings per share were $0.96, beating the forecast of $0.8625. The stock closed at $25.28, up $0.34 or 1.36%, with a price objective of $32.75.

Key Economic Data:

- **U.S. Initial Claims for Unemployment Insurance:** rose to 245,000, up from 240,000 last week, increasing 2.08%.
- **U.S. Existing Home Sales:** fell to 4.44 million, down from 4.55 million last month, decreasing -2.42%.
- **30-Year Mortgage Rate:** fell to 6.27%, compared to 6.28% last week.
- **Eurozone Consumer Confidence Indicator:** fell to -19.20, down from -19.10 last month.
- **Eurozone Economic Sentiment Indicator:** fell to 99.30, down from 99.60 last month, decreasing -0.30%.
- **Germany Producer Price Index YoY:** fell to 7.50%, compared to 15.80% last month.
- **Japan Consumer Price Index YoY:** fell to 3.30%, compared to 4.30% last month.

Puerto Rico COVID-19 Update:

- Daily Cases: 45
- Positivity Rate: 11.02%
- Hospitalizations: 91
- Deaths: 2
- Source P R. Department of Health.

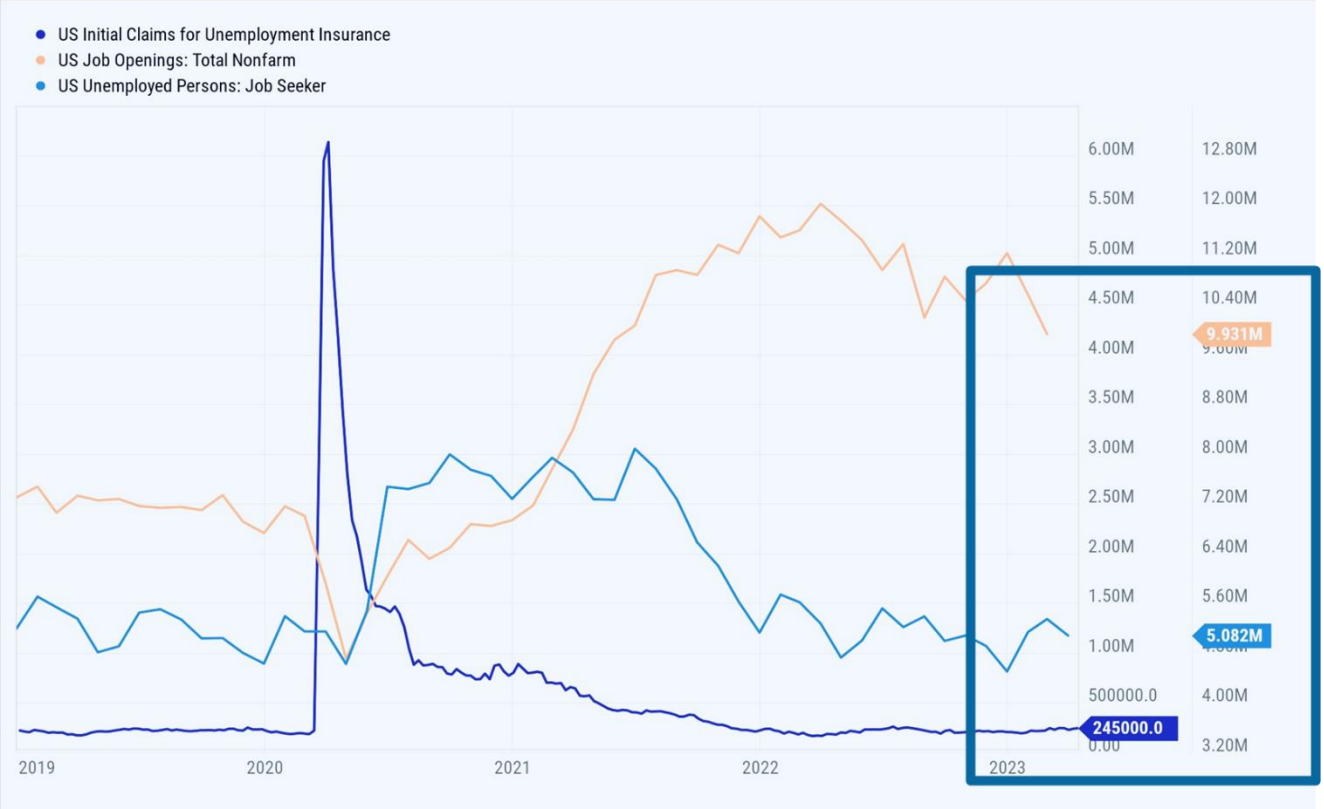
Eurozone Summary:

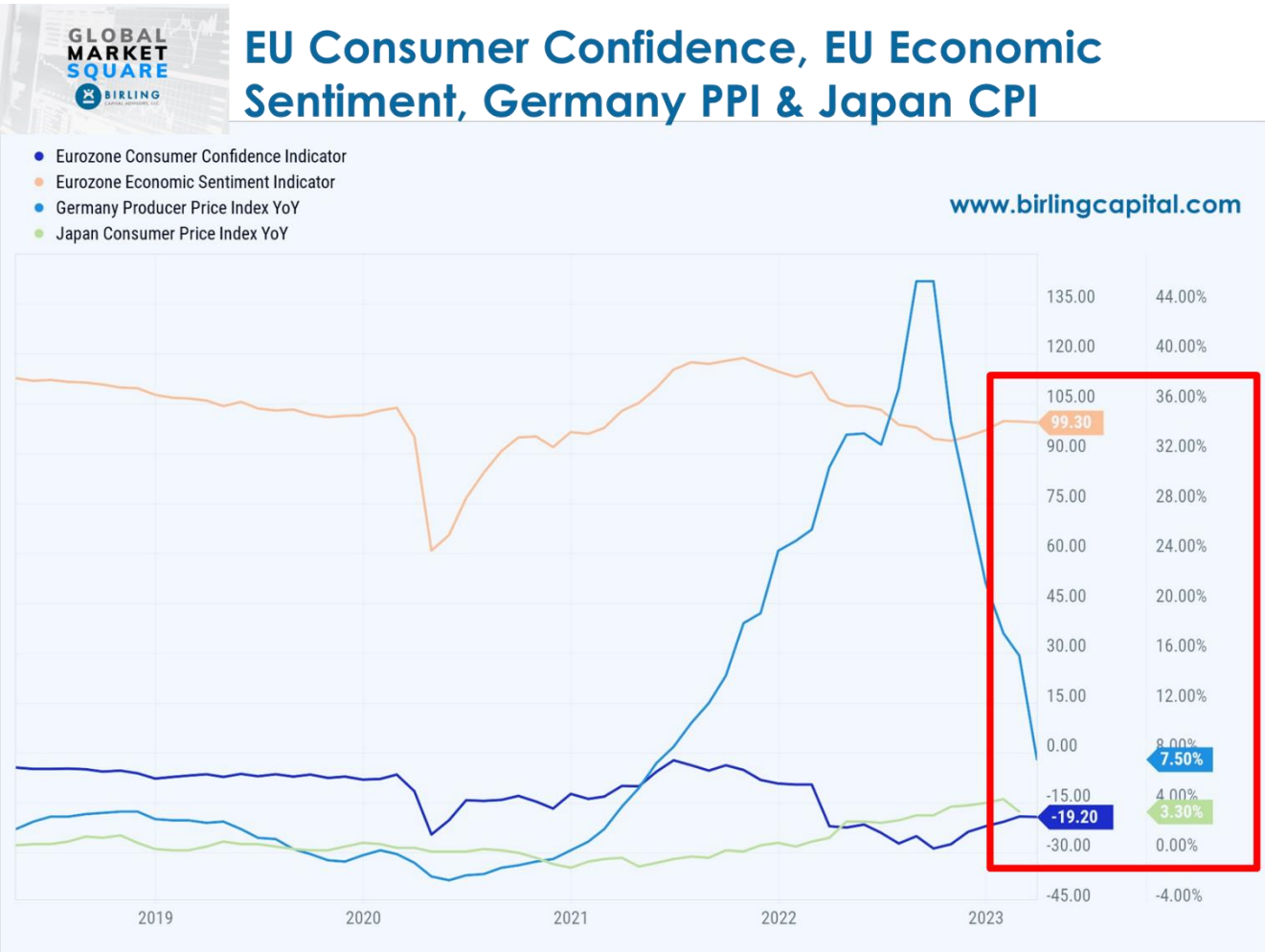
- Stoxx 600 closed at 467.43, down 0.70 points or 0.15%.
- FTSE 100 closed at 7,902.61, up 3.84 points or 0.62%.
- Dax Index closed at 15,795.97, down 99.23 points or 0.62%.

Wall Street Summary:

- Dow Jones Industrial Average closed at 33,786.62, down 110.39 or 0.33%.
- S&P 500 closed at 4,129.79, down 24.73 points or 0.60%.
- Nasdaq Composite closed at 12,059.56, up 97.67 points or 0.80%.
- Birling Capital Puerto Rico Stock index closed at 2,361.70, up 40.58 points or 1.75%.
- Birling Capital U.S. Bank Stock Index closed at 3,812.46, up 8.20 points or 0.049%.
- U.S. Treasury 10-year note closed at 3.54%.
- U.S. Treasury 2-year note closed at 4.14%.

US Claims for Unemployment rose to 245,000, up 2.08%.

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BIRLING
EU Consumer Confidence, EU Economic Sentiment, Germany PPI & Japan CPI
Eurozone Consumer Confidence Indicator
Eurozone Economic Sentiment Indicator
Germany Producer Price Index YoY
Japan Consumer Price Index YoY
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135.00
120.00
105.00
99.30
90.00
75.00
60.00
45.00
30.00
15.00
0.00
-15.00
-19.20
-30.00
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40.00%
36.00%
32.00%
28.00%
24.00%
20.00%
16.00%
12.00%
8.00%
7.50%
4.00%
3.30%
0.00%
-4.00%
2019
2020
2021
2022
2023

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Wall Street Recap

April 20, 2023

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