

# GLOBAL MARKET SQUARE



**Unemployment Claims fell -7.32%; the corporate earnings parade begins on April 14 with JP Morgan, Citigroup, Wells Fargo, and Wall Street closed up.**

**April 6, 2023**

by Francisco Rodríguez-Castro  
[frc@birlingcapital.com](mailto:frc@birlingcapital.com)

The U.S. and European stock markets closed the session with mixed results as investors continued to fret over the prospects of an economic contraction, placing enormous volatility in the markets. The U.S. jobless claims report surpassed consensus estimates as claims fell -7.32% to 228,000, versus expectations of 199,000, a 12.72% improvement against the forecast.

Until this week, the U.S. labor markets had shown resiliency as the unemployment rate hovered at 3.6%. However, we may have seen the first signals of a weakening labor market, with the ADP Employment Change falling -42% to an increase of only 145,000 jobs, well below the estimates of a 250,000 gain. The report also noted that the pace of wage growth decelerated from the February report. In addition, the job openings data last week (JOLTS) showed that openings in February fell below 10 million for the first time in nearly two years, another signal that the labor market may be cooling. Investors will focus on Friday's job report, where the consensus estimate is for total nonfarm jobs to increase by 240,000, below last month's 311,000 gain, or 23% down. What remains to be seen is whether wage growth continues or decreases to impact the support of the core inflation numbers.

Lastly, be advised that the Corporate earnings parade for the first quarter of 2023 begins the following Friday, April 14, with, among others, **JPMorgan Chase** (JPM), **Citigroup** (C) and **Wells Fargo** (WFC), and **First Republic** (FRC) all investors and analysts will focus on deposits growth or outflows as well as unrealized losses and every conceivable key metric as the banking sector is still dealing with a financial crisis of confidence that is not yet over yet.

## **Birling Puerto Rico Stock Index Constituents to Report Earnings:**

As for the Puerto Rico public banks will report their 1Q23 earnings as follows:

- **OFB Bancorp. (OFB)** reports its earnings on April 20, 2023, with a stock price target of \$32.75.
- **First BanCorp. (FBP)** reports its earnings on April 25, 2023, with a stock price target of \$14.90.
- **Popular, Inc. (BPOP)** reports its earnings on April 26, 2023, with a stock price target of \$73.00.

On a side note, Popular, Inc. (BPOP) shares received a lift during the session when Boutique Investment Bank Keefe Bruyette & Woods upgraded the stock to outperform from market performance and set a price target of \$74.

## **Key Economic Data:**

- **U.S. Initial Claims for Unemployment Insurance:** fell to 228,000, down from 246,000 last week, down -7.32%.
- **U.S. 4-Week Moving Average of Initial Claims for Unemployment Insurance:** fell to 237,750, down from 242,000 last week, down -1.76%.

- **30-Year Mortgage Rate:** fell to 6.32%, compared to 6.42% last week, and remains lower than the long-term average of 7.75%.
- **Canada Employment Net Change:** rose to 34,700, up from 21,8000 last month, rising 59.17%.
- **Canada Unemployment Rate:** is unchanged at 5.00%, compared to 5.00% last month.
- **Canada Labour Force Participation Rate:** fell to 65.60%, compared to 65.70% last month.
- **Canada Ivey PMI:** rose to 58.20, up from 51.60 last month, increasing 12.79%.
- **Germany Industrial Production Index MoM:** fell to **2.00%**, compared to 3.70% last month.
- **China Exports YoY:** is unchanged at -7.05%, compared to -7.05% last month.
- **China Imports YoY:** is unchanged at -9.17%, compared to -9.17% last month.
- **China Trade Balance:** is unchanged at 405.16 billion from 405.16 billion last month.

#### Puerto Rico COVID-19 Update April 6:

- Daily Cases: 40
- Positivity Rate: 10.45%
- Hospitalizations: 67
- Deaths: 3
- Source P R. Department of Health.

#### Eurozone Summary for April 6:

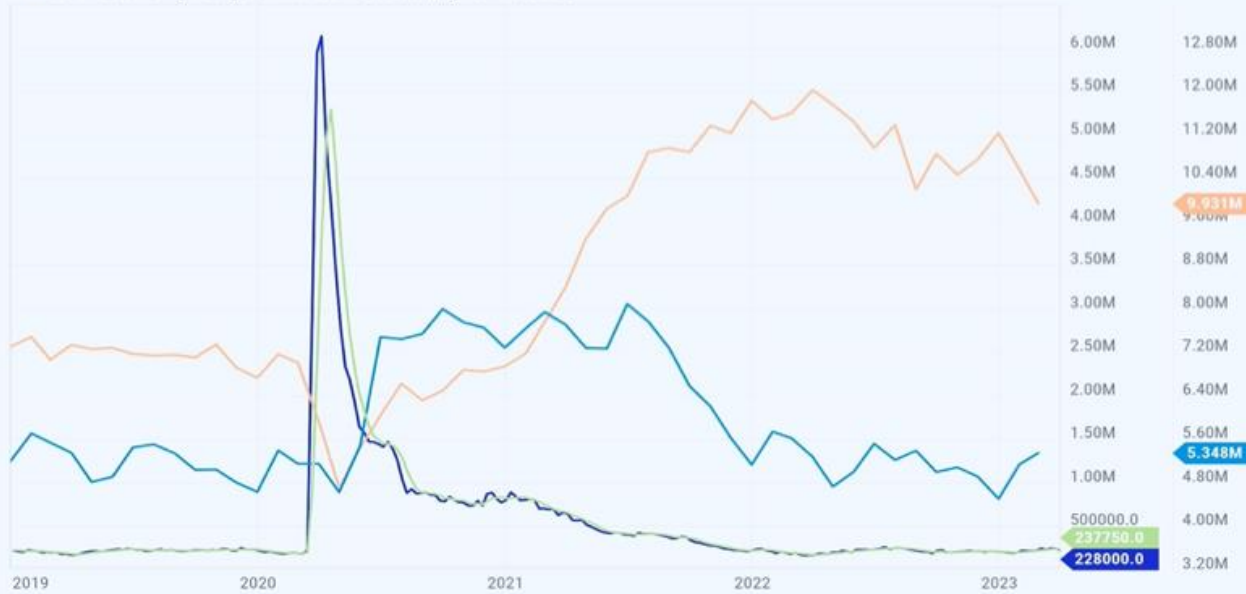
- Stoxx 600 closed at 458.92, up 2.33 points or 0.51%.
- FTSE 100 closed at 7,741.56, up 78.62 points or 1.03%.
- Dax Index closed at 15,597.89, up 77.72 points or 0.59%.

#### Wall Street Summary for April 6:

- Dow Jones Industrial Average closed at 33,485.29, up 2.57 or 0.01%.
- S&P 500 closed at 4,105.02, up 14.64 points or 0.36%.
- Nasdaq Composite closed at 12,087.96, up 91.09 points or 0.76%.
- Birling Capital Puerto Rico Stock index closed at 2,263.27, down 18.12 points or 0.79%.
- Birling Capital U.S. Bank Stock Index closed at 3,482.74, down 17.80 points or 0.51%.
- U.S. Treasury 10-year note closed at 3.30%.
- U.S. Treasury 2-year note closed at 3.82%.

# US Initial Claims for Unemployment Claims fell to 228,000 down -7.32%

- US Initial Claims for Unemployment Insurance
- US Job Openings: Total Nonfarm
- US Unemployed Persons: Job Seeker
- US 4-Week Moving Average of Initial Claims for Unemployment Insurance



Date Range: 12/31/2018 - 04/01/2023



# Canada Employment Net Change, Canada Unemployment Rate, Canada Ivey PMI & Canada Labour Force Participation Rate

- Canada Employment Net Change
- Canada Unemployment Rate
- Canada Ivey PMI
- Canada Labour Force Participation Rate



Date Range: 12/31/2018 - 03/31/2023

# China Exports YoY, China Imports YoY, China Trade Balance

- China Exports YoY
- China Imports YoY
- China Trade Balance



Date Range: 12/31/2020 - 02/28/2023

Global Market Square © es una publicación preparada por Birling Capital LLC y resume los recientes desarrollos geopolíticos, económicos, de mercado y otros que pueden ser de interés para los clientes de Birling Capital LLC. Este informe está destinado únicamente a fines de información general, no es un resumen completo de los asuntos a los que se hace referencia y no representa asesoramiento de inversión, legal, regulatorio o fiscal. Se advierte a los destinatarios de este informe que busquen un abogado profesional adecuado con respecto a cualquiera de los asuntos discutidos en este informe teniendo en cuenta la situación de los destinatarios. Birling Capital no se compromete a mantener a los destinatarios de este informe informados sobre la evolución futura o los cambios en cualquiera de los asuntos discutidos en este informe. Birling Capital. El símbolo de registro y Birling Capital se encuentran entre las marcas registradas de Birling Capital. Todos los derechos reservados.