

## Bank of Japan Signals Shift, U.S. Labor Data in Spotlight, Bank of Canada Holds Rates Steady, Fed's FOMC Meeting Looms, and Wall Street Rises in Response.

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

The U.S. and European stock markets closed with mixed results amid varied economic data driven by U.S. labor data, Central Bank of Canada action, and falling Oil prices.

This week's focus has been on the labor data as all metrics are reporting this week; today's turn was the

Initial jobless claims rose slightly to 220,000, up 1,000, and continuing jobless claims moved lower. The attention now turns to tomorrow's nonfarm payroll report. With the release of the November data, the current consensus estimates are for payrolls to rise by 172,000 versus the prior month's reading of 150,000, with the unemployment rate remaining at 3.9%.

In Europe and Asia, markets moved lower, with Asian markets shaken as the Bank of Japan signaled it could move away from a negative interest-rate policy sooner than expected. The Japanese 10-year government bond yield surged on the news,

Meanwhile, even with OPEC+ cutting prices, the Oil prices are down to \$70 per barrel and have fallen 20% in the last few months.

We turn our attention to monetary policy and begin with the Bank of Canada, which kept its interest rates unchanged at 5%, even with inflation easing and economic growth softening in the Canadian economy. The Bank of Canada left the option of more rate increases should inflation trends change.

As the Fed's FOMC meeting approaches on December 13, we expect the Fed to leave rates unchanged at 5.25% to 5.50% range, affirming that any rate cut is premature until inflation reaches its 2% target rate and with the Fed's Preferred benchmark the PCE at 3.01% that is 33.55% from reaching the target.

### GDPNow Update:

- The GDPNow was updated today, falling to 1.20% GDP, down from 1.30% GDP, an 8.30% decrease.

### Key Economic Data:

- **U.S. Initial Claims for Unemployment:** rose to 220,000, up from 219,000 last week.
- **U.S. Consumer Credit Outstanding MoM:** rose to \$9.057 Billion, up from -\$15.79 Billion last month.
- **U.S. Wholesale Inventories MoM:** rose to 0.17%, compared to -0.12% last month.
- **30-Year Mortgage Rate:** fell to 7.22%, compared to 7.29% last week.
- **Germany Industrial Production Index MoM:** is at -0.40%, compared to -1.30% last month.
- **Japan Real GDP QoQ:** fell -0.50%, compared to 1.10% last quarter.

- **Japan Business Conditions Composite Coincident Index:** rose to 115.90, up from 115.70 last month.
- **China Exports YoY:** are at -0.34%, compared to -7.24% last month.
- **China Imports YoY:** fell -1.05%, compared to 2.61% last month.
- **China's trade balance:** rose to \$68.40 billion, up from \$56.53 billion last month, increasing 21.00%.

#### Eurozone Summary:

- **Stoxx 600** closed at 468.78, down 1.28 points or 0.27%
- **FTSE 100** closed at 7,513.72, down 1.66 points or 0.022%.
- **Dax Index** closed at 16,628.99, down 27.45 points or 0.16%.

#### Wall Street Summary:

- **Dow Jones Industrial Average** closed at 36,117.38, up 62.95 points or 0.17%.
- **S&P 500** closed at 4,585.59, up 36.25 points or 0.80%.
- **Nasdaq Composite** closed at 14,339.99, up 193.28 points or 1.37%.
- **Birling Capital Puerto Rico Stock Index** closed at 3,110.37, down 24.81 points or 0.78%.
- **Birling Capital U.S. Bank Stock Index** closed at 3,919.31, up 2.71 points or 0.07%.
- **U.S. Treasury 10-year note** closed at 4.14%.
- **U.S. Treasury 2-year note market** closed at 4.58 %.

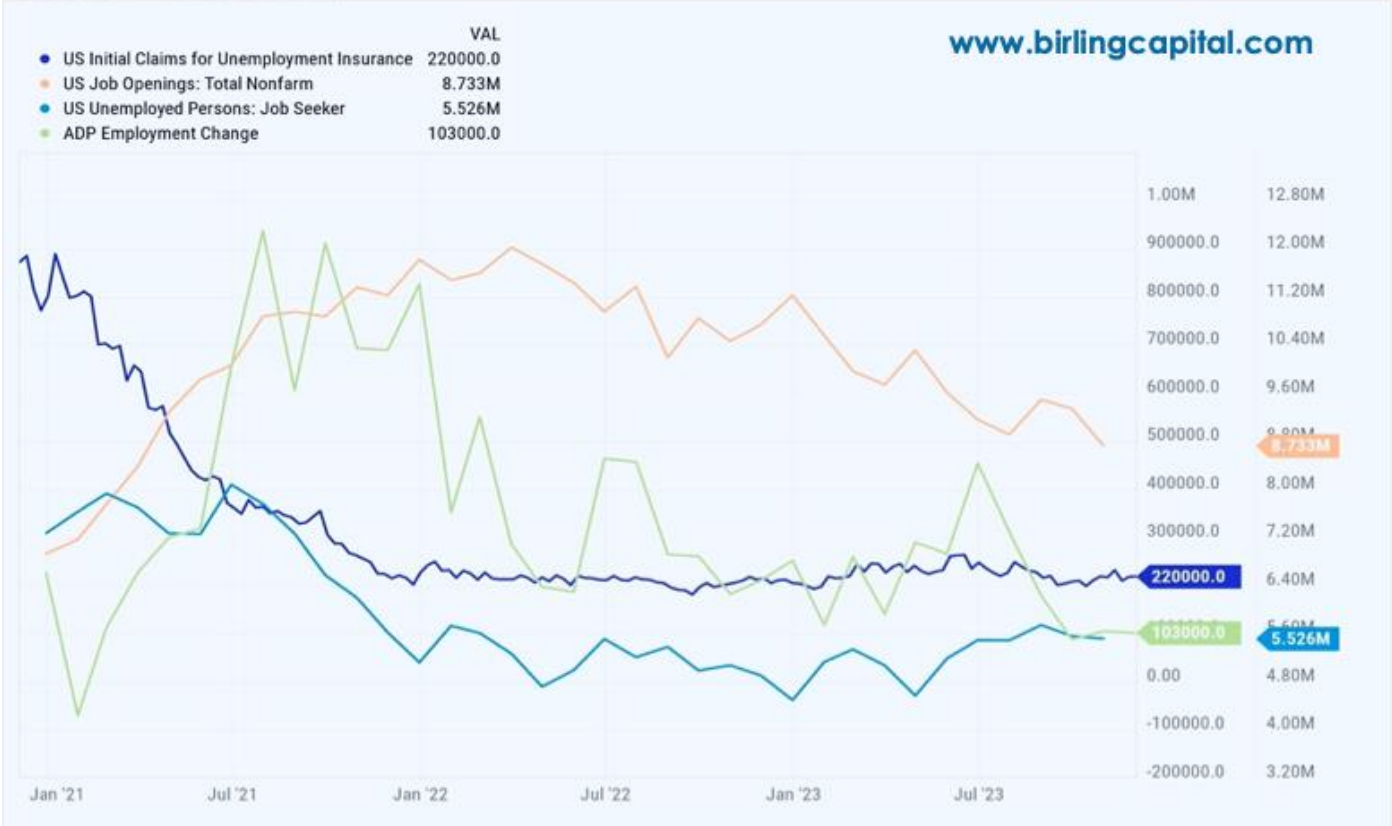


## GDPNow 4Q23

Date	GDPNow 4Q23	Change
<b>10/27/23</b>	<b>2.30%</b>	<b>Initial Forecast</b>
<b>11/1/23</b>	<b>1.20%</b>	<b>-47.8%</b>
<b>11/7/23</b>	<b>2.10%</b>	<b>42.9%</b>
<b>11/8/23</b>	<b>2.10%</b>	<b>0.0%</b>
<b>11/15/23</b>	<b>2.20%</b>	<b>4.5%</b>
<b>11/17/23</b>	<b>2.00%</b>	<b>-9.1%</b>
<b>11/22/23</b>	<b>2.10%</b>	<b>4.8%</b>
<b>11/30/23</b>	<b>1.80%</b>	<b>-16.7%</b>
<b>12/1/23</b>	<b>1.20%</b>	<b>-50.0%</b>
<b>12/6/23</b>	<b>1.30%</b>	<b>7.7%</b>
<b>12/7/23</b>	<b>1.20%</b>	<b>-8.3%</b>



# US Initial Claims for Unemployment, US Job Openings, US Job Seekers and ADP Employment Net Change



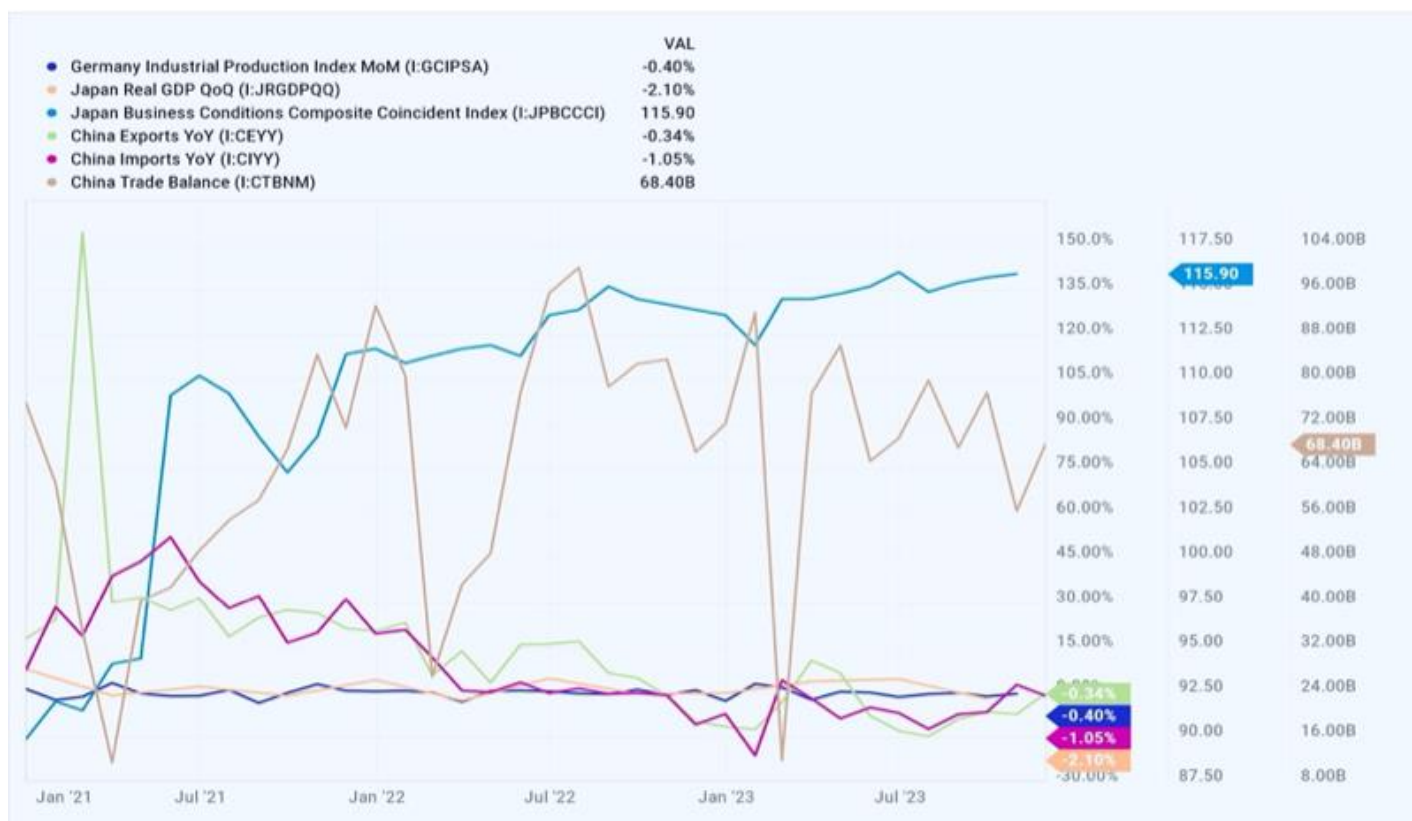


# 30-Year Mortgage Rate & US Wholesale Inventories





# Germany Industrial Production Index, Japan GDP, Japan Business Conditions, China Exports, China Imports & China Trade Balance



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