

The Consumer Price Index rose to 3.70%, ahead of the inflation Nowcast, adding more fuel for a rate increase, and Wall Street closed down.

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The U.S. and European stock markets closed the session with mixed results as the U.S. economy delivered its latest Consumer Price Index reading of 3.70%, slightly ahead of the inflation nowcast of 3.69% and the Core Consumer Price Index of 4.13%, beating the inflation nowcast of 4.17%. A significant part of the increase was due to shelter and gasoline prices.

The monthly results show that the Consumer Price Index MoM fell to 0.40%, compared to 0.63%, and the Core Consumer Price Index MoM rose 0.32%, compared to 0.28% last month. The inflation metrics are at 3.70%, which is 85% ahead of the Fed's 2% target rate for inflation, for some, adds fuel for the Fed to consider another rate increase. These inflation reports do not materially alter the outlook for the next FOMC meeting on November 1; we expect the Fed to leave rates unchanged.

The markets did not react well to the higher-than-expected inflation reading as it is now three consecutive months of increases: September with 3.70%, August with 3.67%, and July with 3.18%, when compared to June with 2.97%, which has increased 24.57% for the last three readings.

As we put the inflation reading behind us, investors now focus on today's corporate earnings parade, and we highlight Delta Airlines.

Onto labor markets, the initial jobless claims were unchanged from last week at 209,000, in line with consensus estimates.

Corporate Earnings Parade:

- **Delta Airlines (DAL):** reported 3Q23 revenues of \$14.6 billion, up 13%, and Net Income of \$2 billion, up 13.5%. Delta reached earnings per share of \$2.03, surpassing the \$1.965 estimate with a stock price objective of \$55.21.

Key Economic Data:

- **U.S. Consumer Price Index YoY:** rose to 3.70%, compared to 3.67% last month.
- **U.S. Inflation Rate:** rose to 3.70%, compared to 3.67% last month.
- **U.S. Core Consumer Price Index YoY:** fell to 4.13%, compared to 4.39% last month.
- **U.S. Initial Claims for Unemployment:** is unchanged at 209,000, from 209,000.0 last week.
- **30-Year Mortgage Rate:** rose to 7.49%, compared to 7.31% last week.
- **U.K. Industrial Production Index YoY:** rose to 1.30%, compared to 1.00% last month.
- **China Inflation Rate:** rose to 0.10%, compared to -0.30% last month.
- **China Producer Price Index YoY:** fell to -3.00%, compared to -4.40% last month.

Eurozone Summary:

- **Stoxx 600** closed at 453.81, up 0.66 points or 0.14%.
- **FTSE 100** closed at 7,644.78, up 24.75 points or 0.32%.
- **Dax Index** closed at 15,425.03, down 34.98 points or 0.23%.

Wall Street Summary:

- **Dow Jones Industrial Average** closed at 33,631.14, down 173.76 points or 0.51%.
- **S&P 500** closed at 4,349.61, down 27.34 points or 0.62%.
- **Nasdaq Composite** closed at 13,574.22, down 85.46 points or 0.63%.
- **Birling Capital Puerto Rico Stock Index** closed at 2,788.32, up 5.00 points or 0.18%.
- **Birling Capital U.S. Bank Stock Index** closed at 3,550.07, down 10.57 points or 0.30%.
- **U.S. Treasury 10-year note** closed at 4.70%
- **U.S. Treasury 2-year note market** closed at 5.06%.



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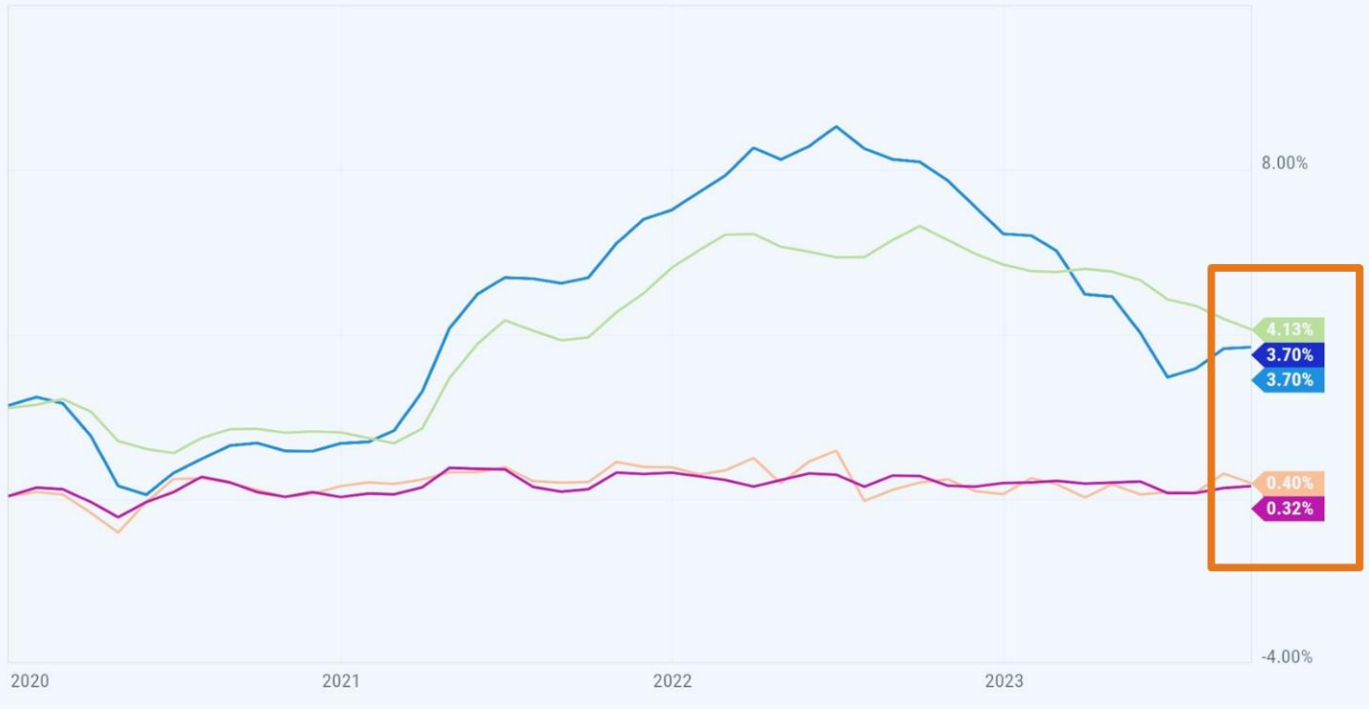
Inflation Nowcast vs Actual Results

Inflation Nowcast	CPI	Actual CPI	Change	Core CPI	Actual Core CPI	Change
September	3.69%	3.70%	0.27%	4.17%	4.13%	-0.97%

US Consumer Price Index YoY, US Consumer Price Index MoM, US Inflation Rate, US Core Consumer Price Index YoY, & US Core Consumer Price Index MoM

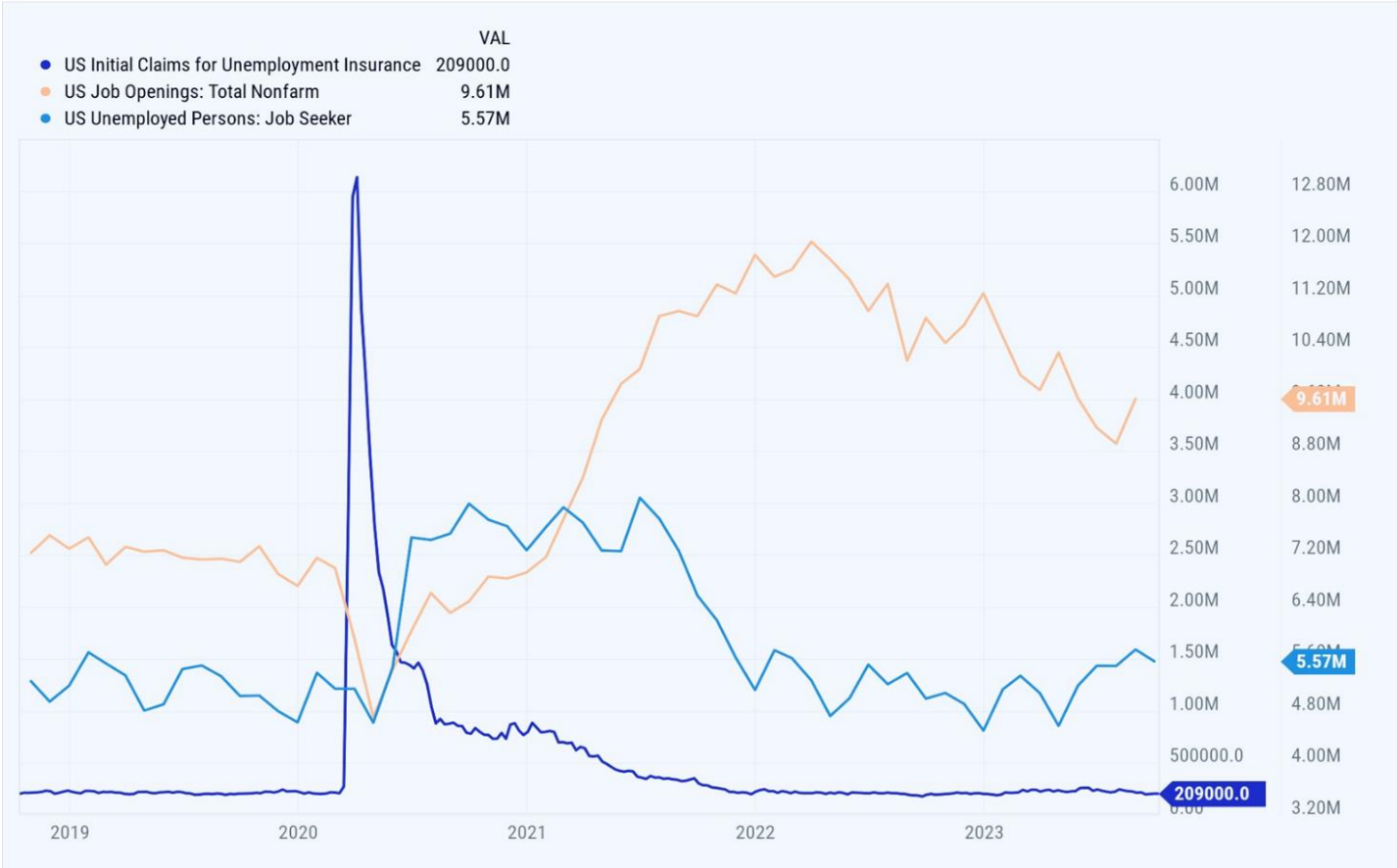
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● US Consumer Price Index YoY	VAL
● US Consumer Price Index MoM	3.70%
● US Inflation Rate	0.40%
● US Core Consumer Price Index YoY	3.70%
● US Core Consumer Price Index MoM	4.13%
	0.32%





US Initial Claims for Unemployment are unchanged at 209,000.

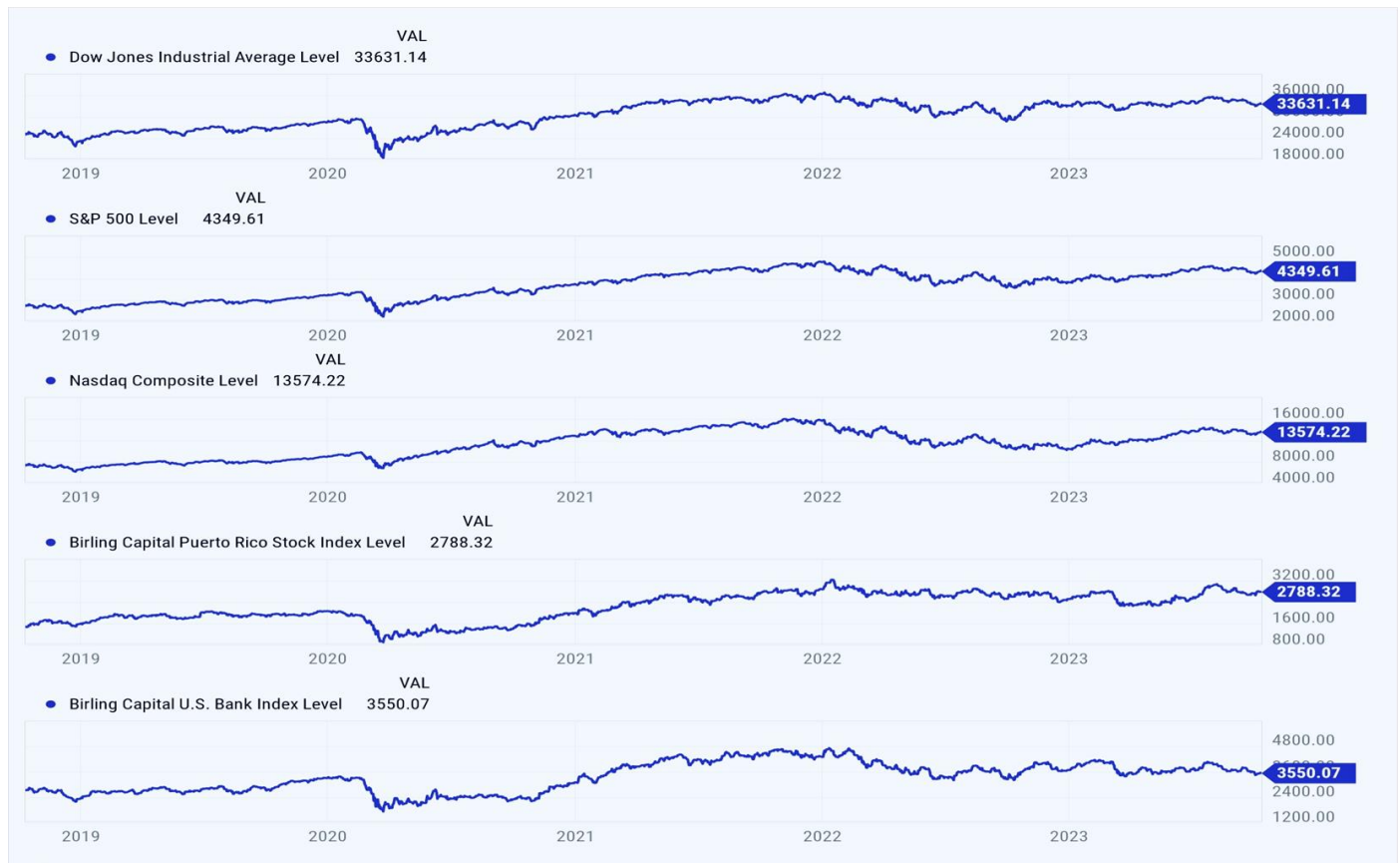




Wall Street Recap

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