

## U.S. recession probability falls to 56.16%, a reduction of 7.67%, the GDPNow remains at 4.90%, and Wall Street falls.

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The U.S. and European stock markets closed the session with mixed results driven by diverse issues. In the U.S., Wall Street closed lower as investors appear to be focused on Friday's jobs report, with a consensus estimates point for the unemployment rate to fall to 3.7% from 3.8% in August and nonfarm payrolls to rise by 163,000 or 12.83% less when compared with 187,000 gains in August. Another way to examine the unemployment data is by looking at the U.S. 4-week Moving Average of Initial Claims for Unemployment Insurance, which fell to 208,750, down from 211,250 last week, a decrease of -1.18% and an increase of 9.58% year-over-year.

However, today's critical issue is a decrease in the U.S. recession probability, which fell from 60.83% to 56.16%, a reduction of 7.67%, a noteworthy development. The most recent GDPNow forecast is at 4.90% GDP, which evidences an improvement in the economic outlook.

European markets closed with mixed results, while Asian markets closed with gains, as investors were relieved to see a pause in the global bond sell-off and are also expecting the results from the critical U.S. jobs report.

### GDPNow Update:

- The GDPNow for the third quarter was updated today and is unchanged at 4.90% GDP.

### Key Economic Data:

- **U.S. Initial Claims for Unemployment Insurance:** rose to 207,000, up from 205,000 last week, up 0.98%.
- **U.S. Recession Probability:** fell to 56.16%, compared to 60.83% last month.
- **30-Year Mortgage Rate:** rose to 7.31%, compared to 7.19% last week.
- **Canada Ivey PMI:** fell to 53.10, down from 53.50 last month, decreasing -0.75%.
- **Germany Exports MoM:** is at -1.20%, compared to -1.90% last month.
- **Germany Trade Balance:** fell to 16.60 billion, down from 17.70 billion last month, decreasing -6.21%.

### Eurozone Summary:

- **Stoxx 600** closed at 441.31, up 1.23 points or 0.28%.
- **FTSE 100** closed at 7,451.54, up 39.09 points or 0.53%.
- **Dax Index** closed at 15,070.22, down 29.70 points or 0.20%.

## Wall Street Summary:

- **Dow Jones Industrial Average** closed at 33,119.57, down 9.98 points or 0.03%.
- **S&P 500** closed at 4,259.11, down 4.76 points or 0.11%.
- **Nasdaq Composite** closed at 13,211.83, down 16.18 points or 0.12%.
- **Birling Capital Puerto Rico Stock Index** closed at 2,714.76, up 58.75 points or 2.21%.
- **Birling Capital U.S. Bank Stock Index** closed at 3,467.91, up 19.44 points or 0.56%.
- **U.S. Treasury 10-year note** closed at 4.73%.
- **U.S. Treasury 2-year note** closed at 5.03%.

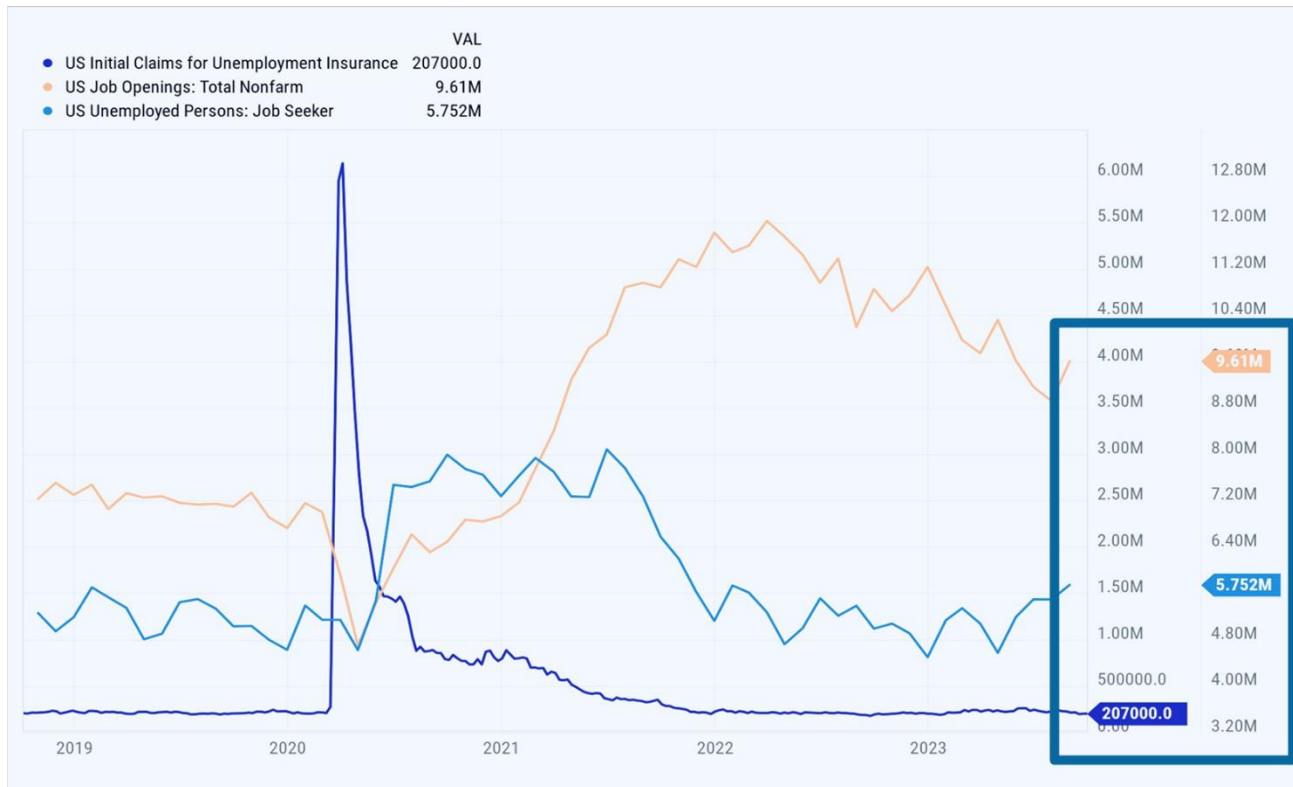


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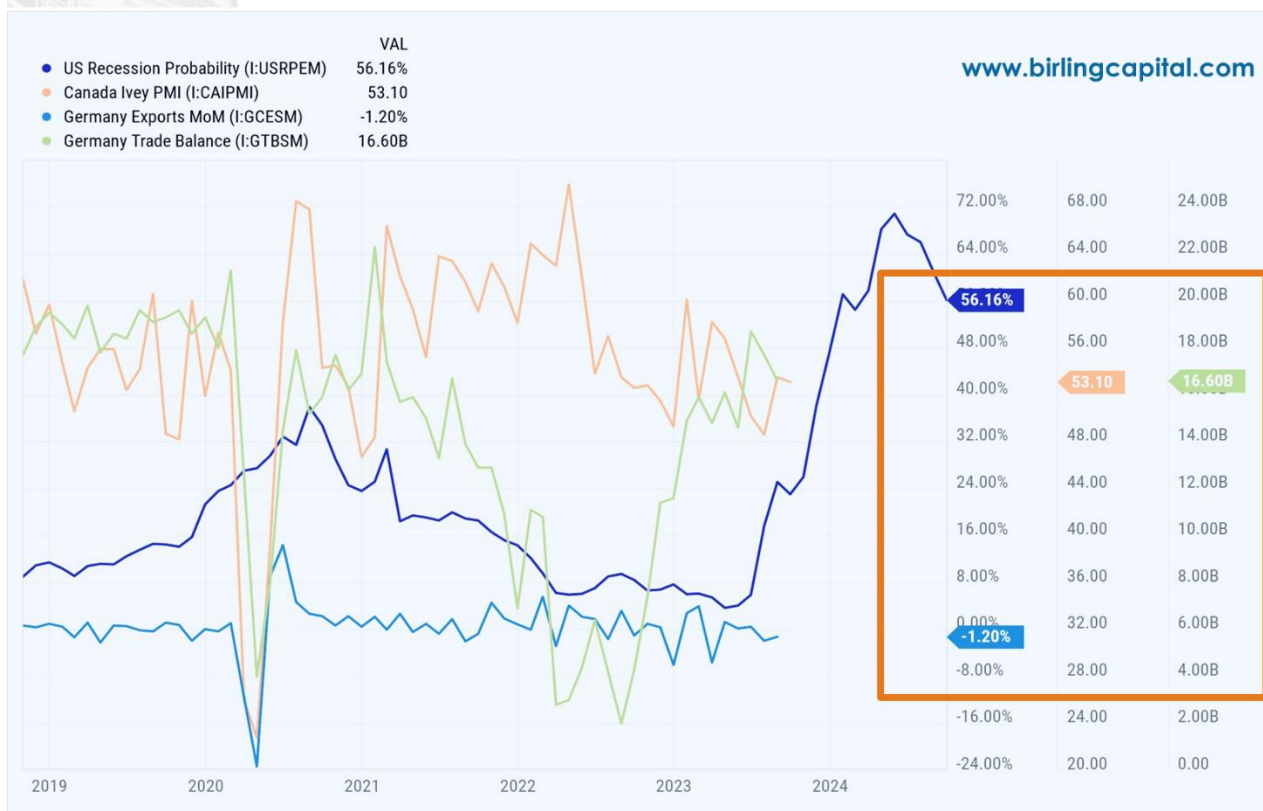
## GDP Now 10.5.23 3Q23 Forecast

Date	GDPNow 3Q23	Change
7/28/2023	3.50%	Initial Forecast
8/31/2023	5.60%	37.50%
9/29/2023	4.90%	-14.29%
10/2/2023	4.90%	0.00%
10/5/2023	4.90%	0.00%

## US Initial Claims for Unemployment rose to 207,000, up 0.98%



## US Recession Probability, Canada Ivey PMI, Germany Exports & Germany Trade Balance



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