

August 2, 2022

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The U.S. and European stock markets ended the session with the second consecutive day of losses as investors are concerned over increased tensions between U.S. and China as House Speaker visits Taiwan in direct defiance to President Biden and Strong Chinese objections.

On that note, the United Nations secretary-general Antonio Guterres said, "Nuclear threats from the war in Ukraine, Asia, and the Middle East have placed the world one miscalculation away: from nuclear annihilation".

The other topic impacting the markets is the tone that several high-ranking officers of the Fed have taken with strong statements that the Central Bank's policy will continue to increase rates aggressively in its mandate to lower inflation.

These comments made the yield of 6 months to 2 years of U.S. treasury notes rise above 3%, as investors are pricing rising rates.

One of the principal comments was that of San Francisco Federal Reserve Bank Mary Daly, which stated, "The Fed is nowhere near done with its fight to cool inflation, which continues to run at 40-year highs".

Corporate Earnings Parade:

- **Caterpillar (CAT):** reported its 2Q22 earnings with revenues of \$14.213 billion, up 11%, and a net income of \$1.944 billion, up 9%, disappointing expectations. The company stock has a price target of \$225.68, closing at \$184.00, down 5.57%.
- **Marriot International (MAR):** reported its 2Q22 earnings with revenues of \$5.338 billion, up 17%, and a net income of \$678 million, up 71%, beating estimates. The company stock has a price target of \$170.45, closing at \$158.29, down 0.81%.
- **JetBlue Airways (JBLU):** reported its 2Q22 earnings with revenues of \$2.445 billion, up 63.1%, and a net loss of (\$188) million, down 96.5%, missing estimates. The company stock has a price target of \$11.38, closing at \$8.04, down 6.40%.

Puerto Rico COVID-19 Update August 2:

- Daily Cases: 409, down 0.72%.
- Positivity Rate: 32.75%, down 5.31%.
- Hospitalizations: 342, down 6.81%.
- Deaths: 10.
- Source Puerto Rico Department of Health.

Eurozone Summary for August 2:

- Stoxx 600 closed at 436.07, down 1.39 points or 0.32%.
- FTSE 100 closed at 7,409.11, down 4.31 points or 0.06%.
- Dax Index closed at 13,449.20, down 30.43 points or 0.23%.

Wall Street Summary for August 2:

- Dow Jones Industrial Average closed at 32,396.17, down 402.23 points or 1.23%.
- S&P 500 closed at 4,091.19, down 27.44 points or 0.67%.
- Nasdaq Composite closed at 12,348.76, down 20.22 points or 0.16%.
- Birling Capital Puerto Rico Stock index closed at 2,807.31, up 0.29 points or 0.01%.
- The U.S. Treasury 10-year note closed at 2.75%.
- The U.S. Treasury 2-year note closed at 3.06%.



Wall Street August 2, 2022





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YTD Returns





Corporate Earnings Parade Caterpillar, JetBlue & Marriott

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YTD Returns

- Caterpillar Inc Price % Change
- JetBlue Airways Corp Price % Change
- Marriott International Inc Price % Change



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