

GLOBAL MARKET SQUARE



US Jobs growth increases 178% above estimates, and the unemployment rate falls to a 54-year low and Wall Street falls.

February 3, 2023

by Francisco Rodríguez-Castro
frc@birlingcapital.com

The U.S. & European stock markets closed with mixed results following one of the biggest jumps in U.S. jobs growth, increasing 98.85% from the prior month and 178% above the estimates of 186,000 jobs; additionally, the U.S. Unemployment rate fell to 3.40%, below forecasts of 3.60% and recording the lowest unemployment rate in 54 years.

The outside rise in jobs growth fueled a stock and bond sell-off with the mantra that the Fed may revise its view on how long it will keep rates higher for an extended period to allow inflation to decrease significantly; alas, the current jobs growth points to strengthening labor market rather than the opposite, which the Fed views as essential to fight inflation.

Key Economic Data:

- **U.S. Nonfarm Payrolls MoM:** rose to 517,000, up from 260,000 last month, increasing 98.85%.
- **U.S. Unemployment Rate:** fell to 3.40%, compared to 3.50% last month.
- **U.S. Labor Force Participation Rate:** rose to 62.40%, compared to 62.30% last month.
- **U.S. ISM Services PMI:** rose to 55.20, up from 49.20 last month, increasing 12.20%.
- **U.S. ISM Services New Orders Index:** rose to 60.40, up from 45.20 last month, increasing 33.63%.
- **Eurozone Industrial Production Index YoY:** fell to 2.00%, compared to 3.40% last month.

Puerto Rico COVID-19 Update February 3:

- Daily Cases: 160
- Positivity Rate: 16.63%
- Hospitalizations: 156
- Deaths: 4
- Source P.R. Department of Health.

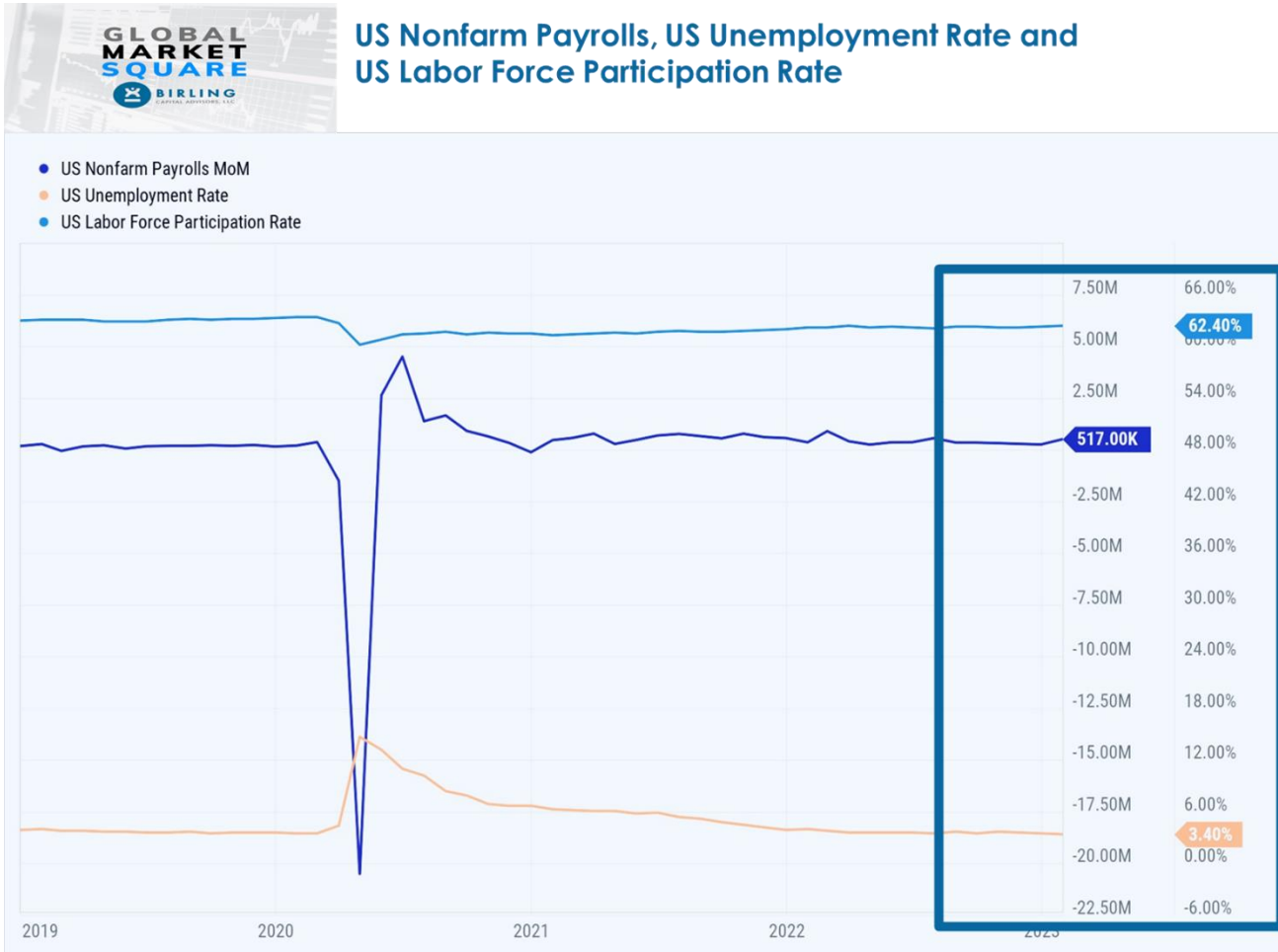
Eurozone Summary for February 3:

- Stoxx 600 closed at 460.42, up 1.72 points or 0.27%.
- FTSE 100 closed at 7,901.80, up 81.64 points or 1.04%.
- Dax Index closed at 15,476.43, down 32.76 points or 0.21%.

Wall Street Summary for February 3:

- Dow Jones Industrial Average closed at 33,926.01, down 127.93 or 0.38%.
- S&P 500 closed at 4,136.48, down 43.28 points or 1.04%.

- Nasdaq Composite closed at 12,006.96, down 193.86 points or 1.59%.
- Birling Capital Puerto Rico Stock index closed at 2,794.18, up 63.10 points or 2.31%.
- U.S. Treasury 10-year note closed at 3.53%.
- U.S. Treasury 2-year note closed at 4.30%.





Fed Raises Rates by en 25 basis points, impacting all other rates





Wall Street YTD Returns

Dow Jones, S&P 500, Nasdaq Composite & Birling Puerto Rico Stock Index

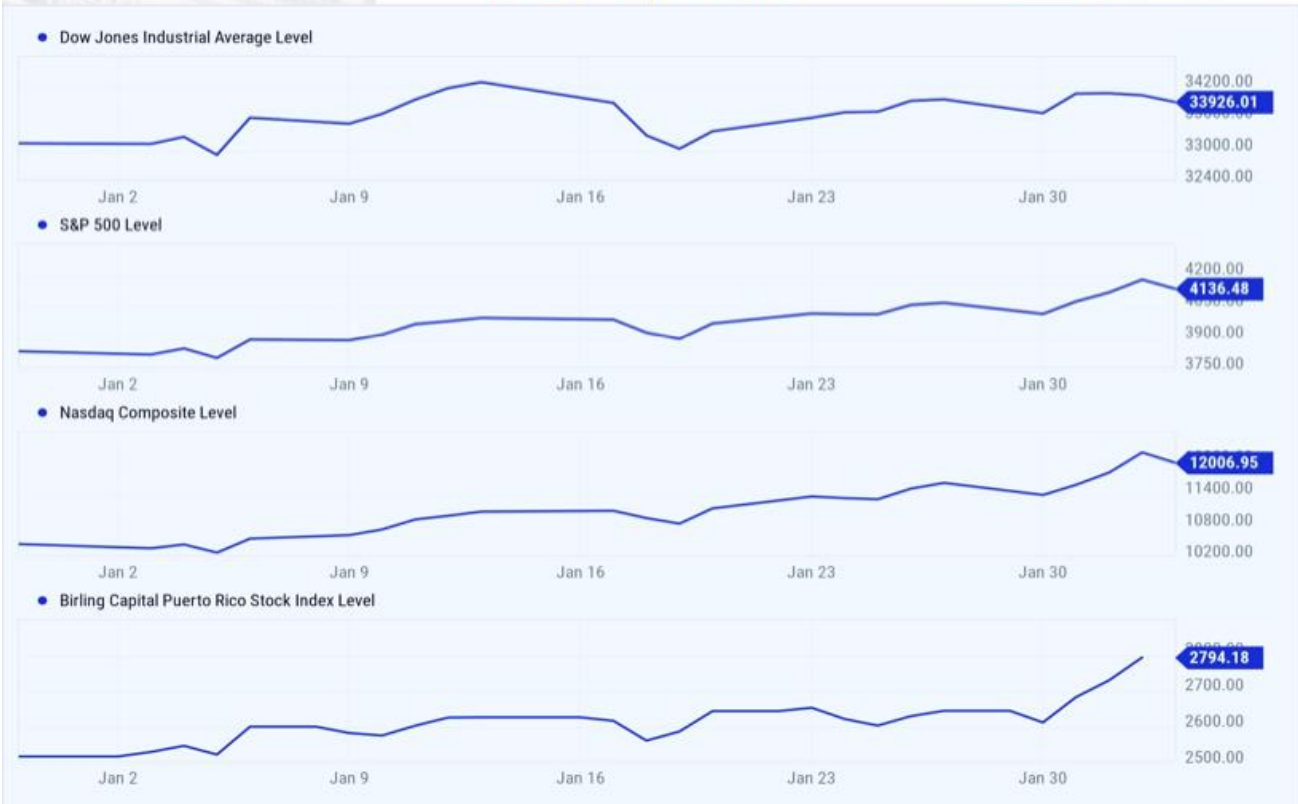




Wall Street Recap

February 3, 2023

www.birlingcapital.com



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.