

**The IMF lowered World Economic Outlook Growth, Walmarts profit warning took the retail sector down, and Wall Street closed with losses.**

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The U.S. & European stock markets entered today's session facing a complex environment following Walmart's (WMT) profit warning of 11 to 13% less for 2022, a direct reflection of the out-of-control inflation in most consumers' pockets.

Walmart stock fell 7.61% in today's trading and took down Amazon, Target, Macy's, and The Home Depot, among others; the selected retailers all have negative year-to-date returns except for Dollar General (DG).

To keep the world more interesting, the International Monetary Fund lowered its 2022 World Economic Outlook published in April and predicts growth projections to slow from 6.1 percent last year to 3.2 percent in 2022, 0.4 percentage points less than in the April 2022 forecast, Below, we highlight some of the changes.

**IMF World Economic Outlook Growth Projections:**

	<b>2022</b>	<b>2023</b>
1. World Output	3.2%	2.9%
2. United States	2.3%	1.0%
3. Eurozone	2.6%	1.2%
4. Japan	1.7%	1.7%
5. United Kingdom	3.2%	0.5%
6. Canada	3.4%	1.8%
7. China	3.3%	4.6%
8. Russia	-6.0%	-3.5%
9. LatAm & Caribbean	3.0%	2.0%

**Corporate Earnings Parade:**

- **General Electric (GE):** reported its 2Q22 earnings with revenues of \$18.65 billion, up 2.23%, and a net income of \$1.663 billion, up 81%, beating estimates. The company stock has a price target of \$92.22, closing at \$71.55, up 4.67%.
- **McDonald's Corp (MCD):** reported its 2Q22 earnings with revenues of \$5.718 billion, down 3%, and a net income of \$1.188 billion, down 46%, beating estimates. The company stock has a price target of \$278.44, closing at \$256.84, up 2.58%.

## Key Economic Data:

- U.S. New Single-Family Houses Sold: fell to 590,000, down from 642,000 last month, decreasing -8.10%.
- Case-Shiller Composite 20 Home Price Index YoY: fell to 20.51%, compared to 21.19% last month.
- Richmond Fed Manufacturing Index: was reported at 0.00, up from -9.00 last month.

## Puerto Rico COVID-19 Update July 26:

- Daily Cases: 491, up 0.40%.
- Positivity Rate: 32.01%, down 7.35%.
- Hospitalizations: 326, down 8.42%.
- Deaths: 4, up 25%.
- Source Puerto Rico Department of Health.

## Eurozone Summary for July 26:

- Stoxx 600 closed at 426.14, down 0.11 points or 0.026%.
- FTSE 100 closed at 7,306.28, down 0.02 points or 0.00%.
- Dax Index closed at 13,096.93, down 113.39 points or 0.96%.

## Wall Street Summary for July 26:

- Dow Jones Industrial Average closed at 31,761.54, down 228.50 points or 0.71%.
- S&P 500 closed at 3,921.05, down 45.79 points or 1.15%.
- Nasdaq Composite closed at 11,562.57, down 220.09 points or 1.87%.
- Birling Capital Puerto Rico Stock index closed at 2,780.58, up 29.18 points or 1.06%.
- The U.S. Treasury 10-year note closed at 2.81%.
- The U.S. Treasury 2-year note closed at 3.02%.

The Inverted Yield Curve spread widened for the fourteenth consecutive trading session.



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## IMF World Economic Outlook Growth Projections Real GDP Annual Percentage Change

	2022	2023
<b>World Output</b>	<b>3.2%</b>	<b>2.9%</b>
<b>Advanced Economies</b>	<b>2.5%</b>	<b>1.4%</b>
<b>United States</b>	<b>2.3%</b>	<b>1.0%</b>
<b>Eurozone</b>	<b>2.6%</b>	<b>1.2%</b>
<b>Germany</b>	<b>1.2%</b>	<b>0.8%</b>
<b>France</b>	<b>2.3%</b>	<b>1.0%</b>
<b>Italy</b>	<b>3.0%</b>	<b>0.7%</b>
<b>Spain</b>	<b>4.0%</b>	<b>2.0%</b>
<b>Japan</b>	<b>1.7%</b>	<b>1.7%</b>
<b>United Kingdom</b>	<b>3.2%</b>	<b>0.5%</b>
<b>Canada</b>	<b>3.4%</b>	<b>1.8%</b>
<b>China</b>	<b>3.3%</b>	<b>4.6%</b>
<b>India</b>	<b>7.4%</b>	<b>6.1%</b>
<b>Russia</b>	<b>-6.0%</b>	<b>-3.5%</b>
<b>Latin America &amp; Caribbean</b>	<b>3.0%</b>	<b>2.0%</b>
<b>Brazil</b>	<b>1.7%</b>	<b>1.1%</b>
<b>Mexico</b>	<b>2.4%</b>	<b>1.2%</b>



# Top Retailers YTD Returns are all negative expect one

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- Dollar General Corp Price % Change
- Walmart Inc Price % Change
- Lowe's Companies Inc Price % Change
- The Home Depot Inc Price % Change
- Amazon.com Inc Price % Change
- Macy's Inc Price % Change
- Target Corp Price % Change





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# Wall Street July 26, 2022



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