

GLOBAL MARKET SQUARE



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The U.S. and European stock markets snapped their losing streak to close the week on a high note. While all indices closed up, the Nasdaq recorded its most vigorous day since November 2020, rising 434.04 points or 3.82%, quite a ride for the week.

Despite today's gains, all the indices are down for the week and have pinned the S&P 500 within striking distance of the dreaded 20% bear market doorstep.

Please make no mistake about it, this has been the worst yearly start in 90 years, and most investors are rightfully asking when the market will turn positive.

The culprit is the combination of factors impacting the world as we know it, war, inflation, economic slowdown, and now the new interest rate cycle.

However, this week we saw, in my view, the first signs of inflation peaking, and we are likely at the end of the inflation pressures, even if it takes time to bring the levels back to normal.

One thing is for sure; investors are now in the driver's seat of the cycle with most stocks priced downward with greatly improved valuation levels, while their earnings outlook remains stable, promising, and ripe for the picking.

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Key economic data:

- U.S. Import Prices YoY: fell to 11.98%, compared to 13.01% last month.
- U.S. Export Prices YoY: fell to 17.95%, compared to 18.62% last month.
- U.S. Index of Consumer Sentiment: fell to 59.10, down from 65.20 last month, decreasing -9.36%.
- Eurozone Industrial Production Index YoY: fell to -0.80%, compared to 1.70% last month.

Puerto Rico COVID-19 Update May 13:

- Daily Cases: 1,089, up 2.64%.
- Positivity Rate: 26.47, down 0.67%.
- Hospitalizations: 342, down 4.67%
- Deaths: 5, no change

- Vaccination Rate: 87.3%
- Source Puerto Rico Department of Health.

Eurozone Summary for May 13:

- Stoxx 600 closed at 433.28, up 8.88 points or 2.09%.
- FTSE 100 closed at 7,418.15, up 184.81 points or 2.55%.
- Dax Index closed at 14,027.93, up 288.29 points or 2.10%.

Wall Street Summary for May 13:

- Dow Jones Industrial Average closed at 32,196.66, up 466.36 points or 1.47%.
- S&P 500 closed at 4,023.89, up 93.81 points or 2.39%.
- Nasdaq Composite closed at 11,805.00, up 434.04 points or 3.82%.
- Birling Capital Puerto Rico Stock index closed at 2,658.07, up 17.37 points or 0.66%.
- The U.S. Treasury 10-year note closed at 2.93%.
- The U.S. Treasury 2-year note closed at 2.61%.



Wall Street May 13, 2022



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