

GLOBAL MARKET SQUARE



Raising the U.S. Debt Limit is critical; if Congress fails to act, a "Constitutional Crisis" would follow, and Wall Street closed mixed.

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by Francisco Rodríguez-Castro
frc@birlingcapital.com

The U.S. & European stock markets began the week with investors quite timid as most of the attention for this week will be Wednesday's May 10 Consumer Price Index reading; the latest Inflation Nowcast expects a CPI of 5.19%, an increase from March number of 4.98% and a Core CPI of 5.56%, A decrease from March number of 5.56%. Considering the Fed's latest 25 basis points rate increase, there is a fundamental expectation for the CPI number to decline as secular declines in inflation numbers are critical for the Fed to pivot, pause, and then reduce rates.

As the U.S. Debt Limit discussion continue during the weekend, U.S. Treasury Secretary Janet Yellen stated that should Congress fail to raise the U.S. Debt Limit before June 1, the U.S. would default on its obligations creating a "**Constitutional Crisis**" of catastrophic proportions, impacting the U.S. economy, and affecting U.S. and Global Markets.

The Republican-controlled Congress and the White House are at odds over raising the Debt Limit since the Republicans favor doing so with significant spending cuts and eliminating essential parts of President Biden's agenda. Usually, increasing the Debt limit was a procedural issue absent from political bickering until a couple of years ago, and now it has become a sort of "Game of Chicken" to procure partisan changes at the nation's expense.

GDPNow Update:

- The GDPNow for the second quarter of 2023 was updated on 5/8/23 and is unchanged at **2.70% GDP**.

Key Economic Data:

- **U.S. Retail Gas Price:** fell to \$3.711, down from \$3.765 last week, decreasing -1.43%.
- **U.S. Wholesale Inventories MoM:** fell to -0.03%, compared to 0.05% last month.
- **Germany Industrial Production Index MoM:** fell to -3.40%, compared to 2.10% last month.

Puerto Rico COVID-19 Update:

- Daily Cases: 76
- Positivity Rate: 17.11%
- Hospitalizations: 88
- Deaths: 2
- Source P R. Department of Health.

Eurozone Summary:

- Stoxx 600 closed at 466.91, up 1.60 points or 0.34%.
- FTSE 100 closed **Monday, May 8, 2023, a Holiday for the coronation of King Charles III.**
- Dax Index closed at 15,952.83, down 8.19 points or 0.051%.

Wall Street Summary:

- Dow Jones Industrial Average closed at 33,619.69, down 55.69 or 0.17%.
- S&P 500 closed at 4,138.12, up 1.87 points or 0.05%.
- Nasdaq Composite closed at 12,256.96, up 21.50 points or 0.18%.
- Birling Capital Puerto Rico Stock Index closed at 2,333.71, up 75.76 points or 3.36%.
- Birling Capital U.S. Bank Stock Index closed at 3,577.97, up 90.82 points or 2.60%.
- U.S. Treasury 10-year note closed at 3.52%.
- U.S. Treasury 2-year note closed at 4.00%.



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GDPNow 5.8.23 Second Quarter GDP Forecast

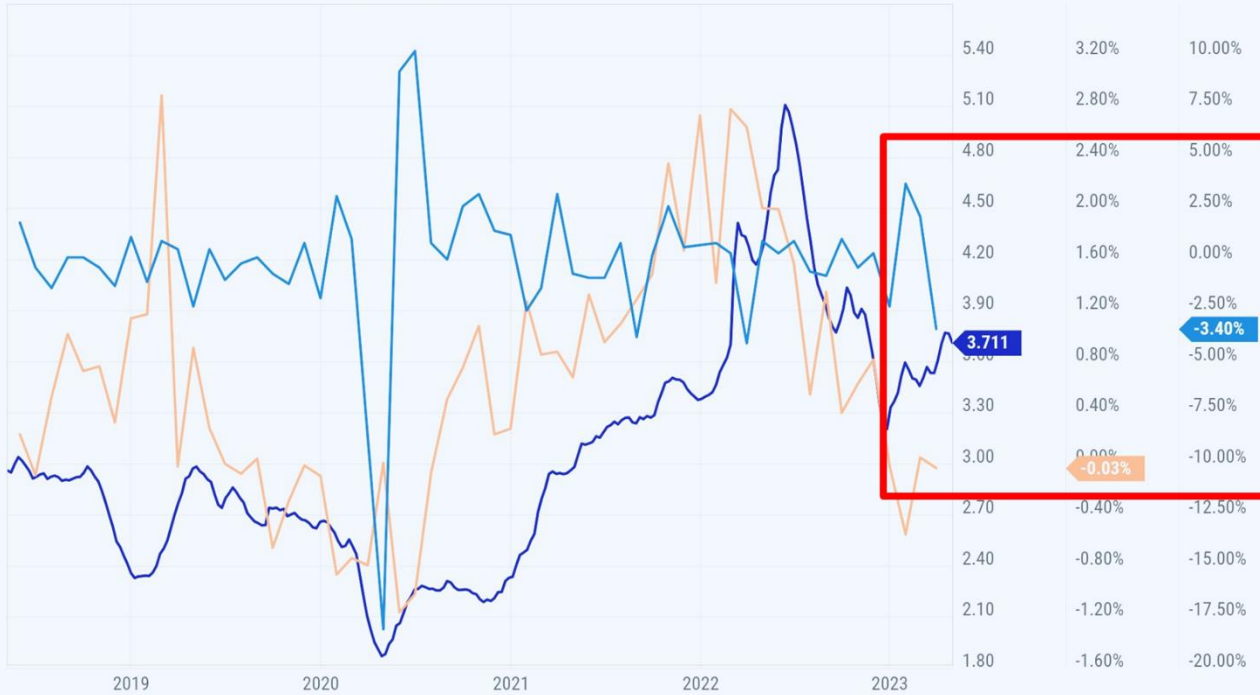
Date	GDPNow 2Q23	Change
4/28/2023	1.70%	Initial Forecast
5/1/2023	1.80%	5.56%
5/4/2023	2.70%	33.33%
5/8/2023	2.70%	0.00%



US Retail Gas Price, US Wholesale Inventories & Germany Industrial Production Index MoM

- US Retail Gas Price (I:USRGP)
- US Wholesale Inventories MoM (I:USWISMP)
- Germany Industrial Production Index MoM (I:GCIPSA)

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Wall Street Recap

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● Dow Jones Industrial Average Level



● S&P 500 Level



● Nasdaq Composite Level



● Birling Capital Puerto Rico Stock Index Level



● Birling Capital U.S. Bank Index Level





Dow Jones Industrial Average, S&P 500, Nasdaq Composite, Birling Puerto Rico Stock Index & Birling US Bank Index YTD Returns



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