

GLOBAL MARKET SQUARE



St. Louis Fed President Bullard states that the aggressive interest rate campaign has not dented inflation enough, Unemployment claims fell - 1.77%, and Wall Street closed down.

November 17, 2022

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The U.S. & European stock markets closed the session with more losses as investors evaluated all data to determine the direction of the Federal Reserve Banks and its aggressive interest rate campaign. Adding to this point today, St. Louis Fed President Bullard said in a speech that the interest rates are not yet sufficiently restrictive, and the monetary policy has had only limited effects on inflation, and market pricing suggests disinflation in 2023".

The speech made the U.S. Treasury 2-year yield jump to close at 4.43%.

Also, Cisco and Macys, a couple of Wall Street stalwarts, reported revenues that surpassed expectations, taking both stocks higher today; the results follow.

Corporate Earnings Parade:

- **Cisco Systems Inc (CSCO):** Reported its 1Q23 earnings with revenues of \$13.6 billion, up 6%, and net income of \$2.7 billion, down 10%, surpassing expectations. The stock closed at \$46.59, up 4.96%.
- **Macy's Inc (M):** Reported its 3Q22 earnings with revenues of \$5.2 billion, down 3.9%, and net income of \$108 million, down 54.3%, surpassing expectations. The stock closed at \$22.55, up 14.41%.

Key Economic Data:

- **U.S. Initial Claims for Unemployment Insurance:** fell to 222,000, down from 226,000 last week, decreasing -1.77%.
- **U.S. Housing Starts:** fell to 1.425Million, down from 1.488Million last month, decreasing -4.23%.
- **U.S. Building Permits:** Fell to 1.526Million, down from 1.564Million last month, decreasing -2.43%.
- **30-Year Mortgage Rate:** fell to 6.61%, compared to 7.08% last week.
- **Kansas City Fed Manufacturing Production Index:** is at -10.00, up from -22.00 last month.
- **Eurozone Consumer Price Index YoY:** rose to 10.62%, compared to 9.93% last month.
- **Eurozone Inflation Rate:** Excluding Energy, Food, Alcohol, and Tobacco: rose to 5.00%, compared to 4.80%.
- **Japan Consumer Price Index YoY:** is unchanged at 3.00%, compared to 3.00% last month.

Puerto Rico COVID-19 Update November 17:

- Daily Cases: 147
- Positivity Rate: 17.06%

- Hospitalizations: 167
- Deaths: 4
- Source P.R. Department of Health.

Eurozone Summary for November 17:

- Stoxx 600 closed at 428.20, down 1.97 points or 0.46%.
- FTSE 100 closed at 7,346.54, down 4.65 points or 0.063%.
- Dax Index closed at 14,266.38, up 32.35 points or 0.23%.

Wall Street Summary for November 17:

- Dow Jones Industrial Average closed at 33,543.32, down 7.51 points or 0.02%.
- S&P 500 closed at 3,946.53, down 12.23 points or 0.31%.
- Nasdaq Composite closed at 11,144.96, down 38.70 points or 0.70%.
- Birling Capital Puerto Rico Stock index closed at 2,718.59, down 44.31 points or 1.60%.
- U.S. Treasury 10-year note closed at 3.77%.
- U.S. Treasury 2-year note closed at 4.43%.



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Unemployment Benchmarks

The Labor Department reported that jobless claims fell to **222,000**, or **-1.77%** lower than last week.





US Housing Starts, US Building Permits, 30-Year Mortgage Rate & Kansas City Fed Manufacturing Production Index

- US Housing Starts MoM
- US Building Permits MoM
- 30 Year Mortgage Rate
- Kansas City Fed Manufacturing Production Index



Eurozone CPI, Eurozone Inflation Rate & Japan CPI

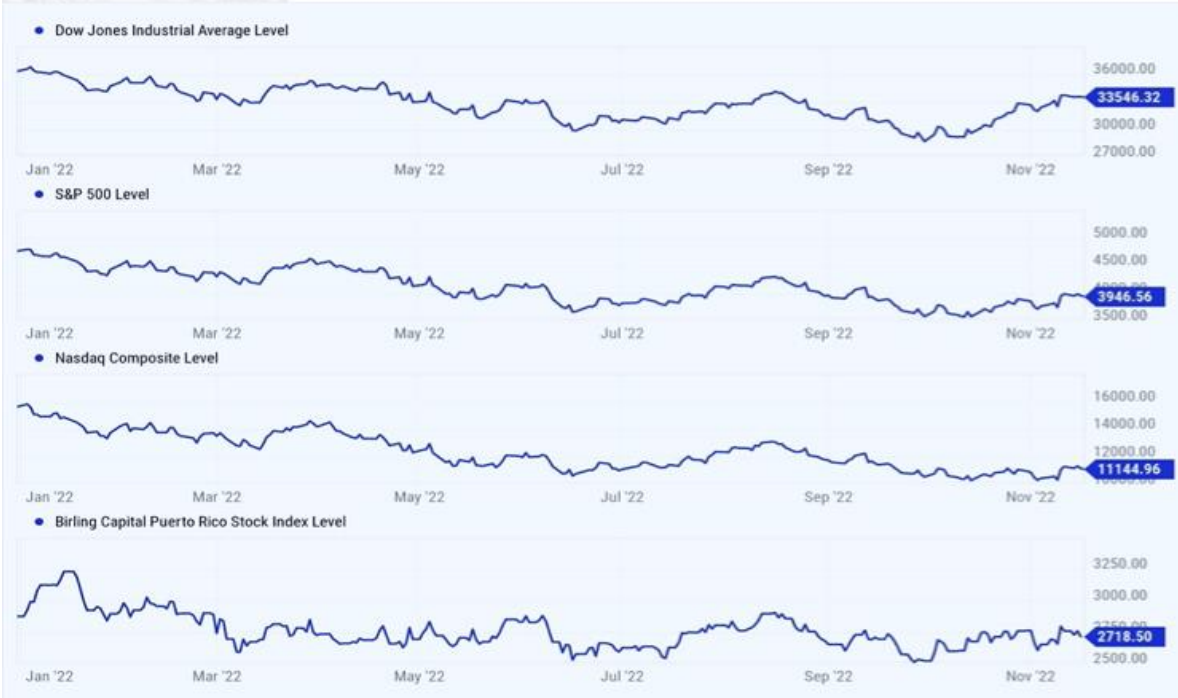
- Eurozone Consumer Price Index YoY (I:ECPIYY)
- Eurozone Inflation Rate: Excluding Energy, Food, Alcohol, and Tobacco (I:EIREEFNM)
- Japan Consumer Price Index YoY (I:JPIR)





Wall Street Recap November 17, 2022

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