

## AIG surpasses earnings estimates, while BioNTech falls short, and Wall Street closed with mixed results.

**August 8, 2022**

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The U.S. & European stock markets began the week with mixed results. In the U.S., while the Dow Jones closed up, the S&P and Nasdaq fell, adding to the losses recorded last week. The driving force continues to be the uncertainty that the more extensive than anticipated jobs growth may tempt the Fed to develop an even more aggressive interest rate rise strategy to curb inflation.

On the other hand, we shall see how inflation has behaved when the Consumer Price Index reports on Wednesday, August 10. We expect the CPI to fall, particularly considering that since June 8, the gas price has declined 15.72%; we shall see.

Inflation Reduction Act Passes Senate; after a long journey, the Senate passed President Biden's signature economic package that handed the president a much-needed political victory a couple of months before the midterm elections. The bill goes to the House of Representatives for approval before becoming law.

Although much smaller in size and scope than the Build Back Better (BBB) plan, this bill is still significant, spanning healthcare, tax with increased IRS enforcement, and climate/clean energy. According to estimates, the bill may raise a total of \$739B in revenue and \$433B in expenditures, reducing the budget deficit by roughly \$300B over a decade.

### Corporate Earnings Parade:

- BioNTech (BNTX): reported its 2Q22 earnings with revenues of \$3.2 billion, down 40%, and a net income of \$1.7 billion, down 40%, missing estimates, and BioNTech reiterated the COVID-19 2022 vaccine revenue guidance of €13 billion to €17 billion. The company stock has a price target of \$232.27, closing at \$169.30, down 7.54%.
- American International Group (AIG): reported its 2Q22 earnings with revenues of \$9.581 billion, up 1%, and a net income of \$3.021 billion, beating estimates. The company stock has a price target of \$64.44, closing at \$52.26, up 0.83%.

### Key Economic Data:

- China Exports YoY: rose to 17.80%, compared to 17.71% last month.
- China Imports YoY: rose to 2.49%, compared to 1.49% last month.
- China Trade Balance: rose to 101.27 billion, up from 97.94 billion last month, increasing 3.40%.
- U.S. Retail Gas Price: fell to \$4.304, down from \$4.44 last week, decreasing 3.06%.

### Puerto Rico COVID-19 Update August 8:

- Daily Cases: 615, up 16.42%.
- Positivity Rate: 34.47%, down 0.94%.

- Hospitalizations: 386, up 10.62%.
- Deaths: 0
- Source Puerto Rico Department of Health.

### Eurozone Summary for August 8:

- Stoxx 600 closed at 439.04, up 16.42 points or 0.76%.
- FTSE 100 closed at 7,482.37, up 42.63 points or 0.57%.
- Dax Index closed at 13,687.69, up 113.76 points or 0.84%.

### Wall Street Summary for August 8:

- Dow Jones Industrial Average closed at 32,726.82, down 85.68 points or 0.26%.
- S&P 500 closed at 4,144.06, down 5.13. points or 0.12%.
- Nasdaq Composite closed at 12,644.46, down 13.10 points or 0.10%.
- Birling Capital Puerto Rico Stock index closed at 2,765.40, down 28.95 points or 1.04%.
- The U.S. Treasury 10-year note closed at 2.77%.
- The U.S. Treasury 2-year note closed at 3.21%.



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## Wall Street August 8, 2022

### YTD Returns



## Wall Street August 8, 2022

● Dow Jones Industrial Average Level



● S&P 500 Level



● Nasdaq Composite Level



● Birling Capital Puerto Rico Stock Index Level





# Corporate Earnings Parade BioNTech & American International Group

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## YTD Returns



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