

GLOBAL MARKET SQUARE



Wall Street is in free fall, with the Dow Jones Falling 3.58%, the Nasdaq falling 4.92% points, the S&P 500 falling 4.01%, and the Birling Puerto Rico Stock Index falls 0.14% in two sessions.

August 29, 2022

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The U.S. & European stock markets began the week with losses as investors continued to concern themselves with the tone of the Speech given by Fed Chair Powell during the Jackson Hole Conference.

Large swaths of investors expected the Fed to pivot from increasing rates to subsiding or lowering them as inflation began to recede.

As we have pointed out frequently, the Fed fell way behind on inflation and has long stated that its focus has been and continues to be taking inflation down to its 2% target rate. The Fed's preferred inflation benchmark, the PCE Index, fell to 6.28%, a sharp decrease from the previous month, positioning it 214% above the 2% target.

Also benefiting the economy is that a recent survey showed that companies' indicators say supply constraints are easing and pent-up demand is falling, allowing prices to alleviate.

The Purchasing Managers' Index (PMI) surveys also report better delivery times and improved prices.

As demand falls and inventories increase relative to sales, it will help ease inflation on most consumer goods in a material way.

In the last two sessions, the markets have taken a huge beating let's review:

- Dow Jones Industrial Average has fallen 1,192.79 points or 3.58%.
- S&P 500 has fallen 168.53 points or 4.01%.
- Nasdaq Composite has lost 621.60 points or 4.92%.
- Birling Capital Puerto Rico Stock Index has only fallen 3.80 points or 0.14%.

Key Economic Data:

- U.S. Retail Gas Price: fell to \$3.993, down from 4.051 last week, decreasing -1.43%.
- Japan Business Conditions Composite Coincident Index: rose to 98.60, up from 94.90 last month, increasing 3.90%.

Puerto Rico COVID-19 Update August 29:

- Daily Cases: 442, up 8.59%
- Positivity Rate: 25.23%, down 5.66%
- Hospitalizations: 325, down 8.45%
- Deaths: 3
- Source Puerto Rico Department of Health.

Eurozone Summary for August 29:

- Stoxx 600 closed at 422.65, down 3.44 points or 0.81%.
- FTSE 100 closed at 7,427.31, down 52.43 points or 0.70%.
- Dax Index closed at 12,892.99, down 78.48 points or 0.61%.

Wall Street Summary for August 29:

- Dow Jones Industrial Average closed at 32,098.99, down 184.41 points or 0.57%.
- S&P 500 closed at 4,030.61, down 27.05 points or 0.67%.
- Nasdaq Composite closed at 12,017.67, down 124.04 points or 1.02%.
- Birling Capital Puerto Rico Stock index closed at 2,758.32, down 56.39 points or 2.00%.
- The U.S. Treasury 10-year note closed at 3.12%.
- The U.S. Treasury 2-year note closed at 3.42%.



Wall Street Recap August 29, 2022

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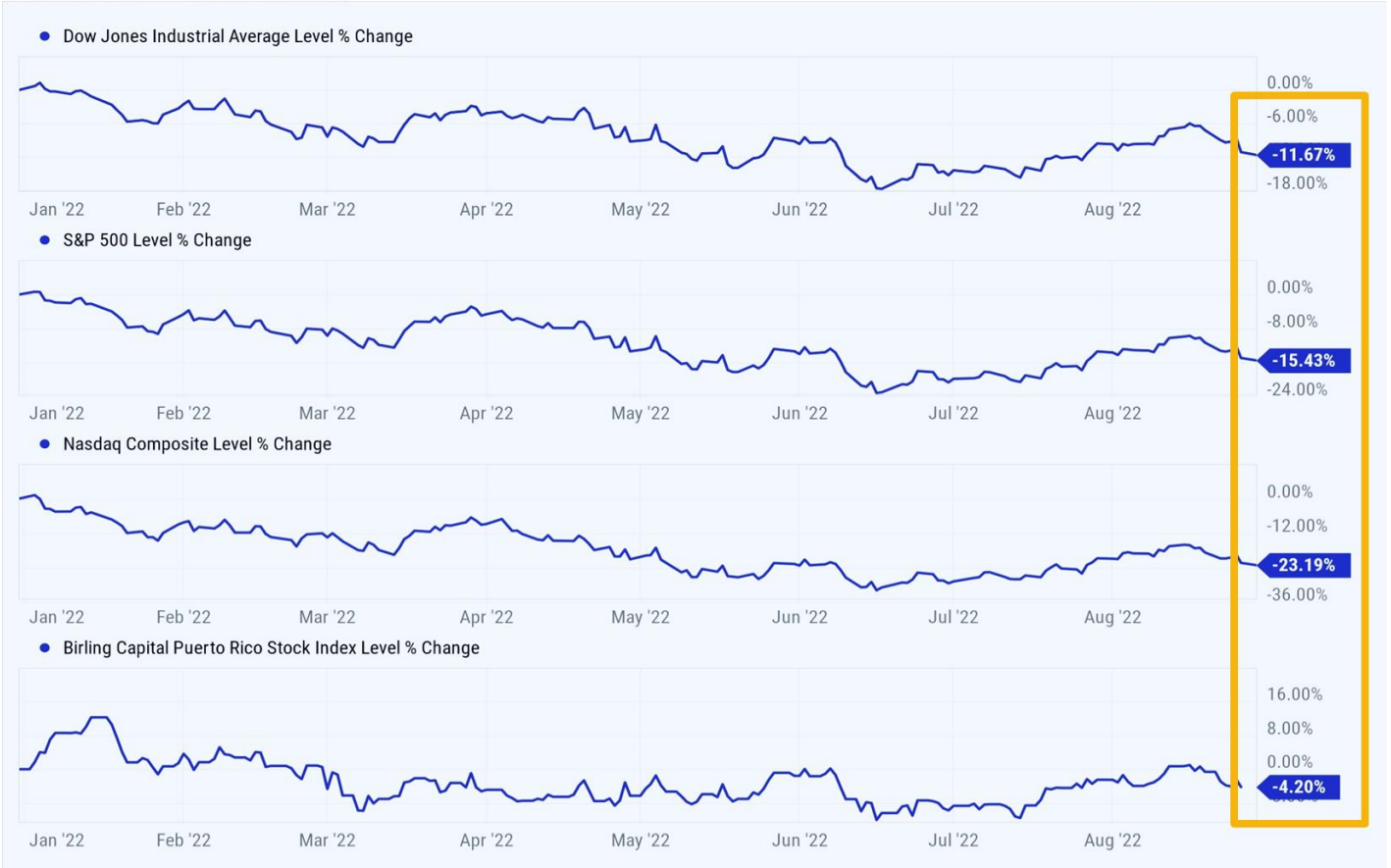




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YTD Returns

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