

# Labor Market Surge Fuels Economic Confidence, Intel's Plunge Shakes Dow Jones.

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by Francisco Rodríguez-Castro  
[frc@birlingcapital.com](mailto:frc@birlingcapital.com)

The U.S. and European stock markets attempted to snap the losing streak, closing mostly up except for the Dow Jones, which closed down impacted by Intel, which fell sharply after 8.22% after reporting losses in its semiconductor business and concerns over interest rates. Bonds continue to face pressure, with the 10-year Treasury yield closing at 4.36%. The market sentiment is influenced by recent economic indicators suggesting continued strength, fueling apprehensions about higher interest rates. Private payrolls have surpassed expectations, and the Purchasing Manager's Index Services Fell -2.28% to 51.40 below expectations.

Atlanta Fed President Bostic's remarks on Wednesday underscored worries about the inflation pace, advocating for a delay in interest-rate cuts until later in the year. As yields climb, sectors sensitive to interest rates are experiencing declines, while cyclical sectors demonstrate resilience. Investors eagerly await Powell's noon speech for further insights into the rate trajectory.

The robust performance of private payrolls for March, surpassing expectations at 184,000 and with upward revisions to February's figures, signals a sturdy labor market. Particularly notable is the significant growth in service industries, accompanied by rising pay across sectors\*. These positive developments contribute to the narrative of a resilient U.S. economy, potentially delaying rate cuts if inflationary progress stalls. Attention now turns to Friday's jobs report, with expectations of 215,000 job additions in March, a projected unemployment rate decreases to 3.8%, and a slowdown in wage growth to 4.1%\*. While wage growth remains a focal point, Chair Powell's lessened concern regarding labor market strength shifts attention to the upcoming CPI data on April 12, likely to shape rate expectations and market sentiments more significantly.

## Key Economic Data:

- **ADP Employment Change:** rose to 184,000, up from 155,000 last month, increasing 18.71%.
- **ADP Median Pay YoY:** is unchanged at 5.10%, compared to 5.10% last month
- **U.S. ISM Services PMI:** fell to 51.40, down from 52.60 last month, decreasing -2.28%.
- **U.S. ISM Services New Orders Index:** fell to 54.40, down from 56.10 last month, decreasing -3.03%.
- **U.S. ISM Services Employment Index:** rose to 48.50, up from 48.00 last month, increasing 1.04%.

## Eurozone Summary:

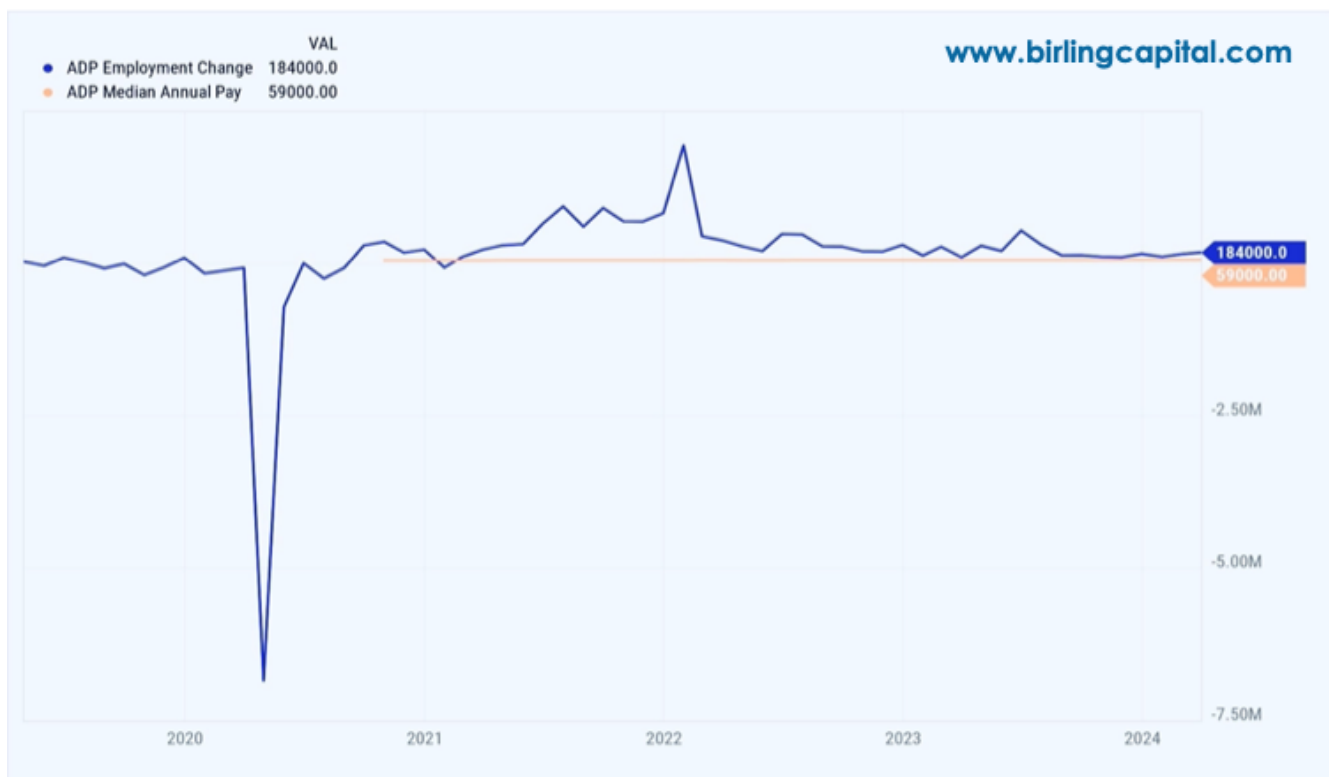
- **Stoxx 600** closed at 510.02, up 1.45 points or 0.29%.
- **FTSE 100** closed at 7,937.44, up 2.35 points or 0.03%.
- **Dax Index** closed at 18,283.13, up 84.59 points or 0.46%.

## Wall Street Summary:

- **Dow Jones Industrial Average** closed at 39,127.14, down 43.10 points or 0.11%.
- **S&P 500** closed at 5,211.49, up 5.68 points or 0.11%.
- **Nasdaq Composite** closed at 16,277.46, up 37.01 points or 0.23%.
- **Birling Capital Puerto Rico Stock Index** closed at 3,348.95, down 35.39 points or 1.05%.
- **Birling Capital U.S. Bank Stock Index** closed at 4,920.08, down 30.92 points or 0.62%.
- **U.S. Treasury** 10-year note closed at 4.36%.
- **U.S. Treasury** 2-year note closed at 4.68%.



## ADP Employment Change & ADP Median Annual Pay



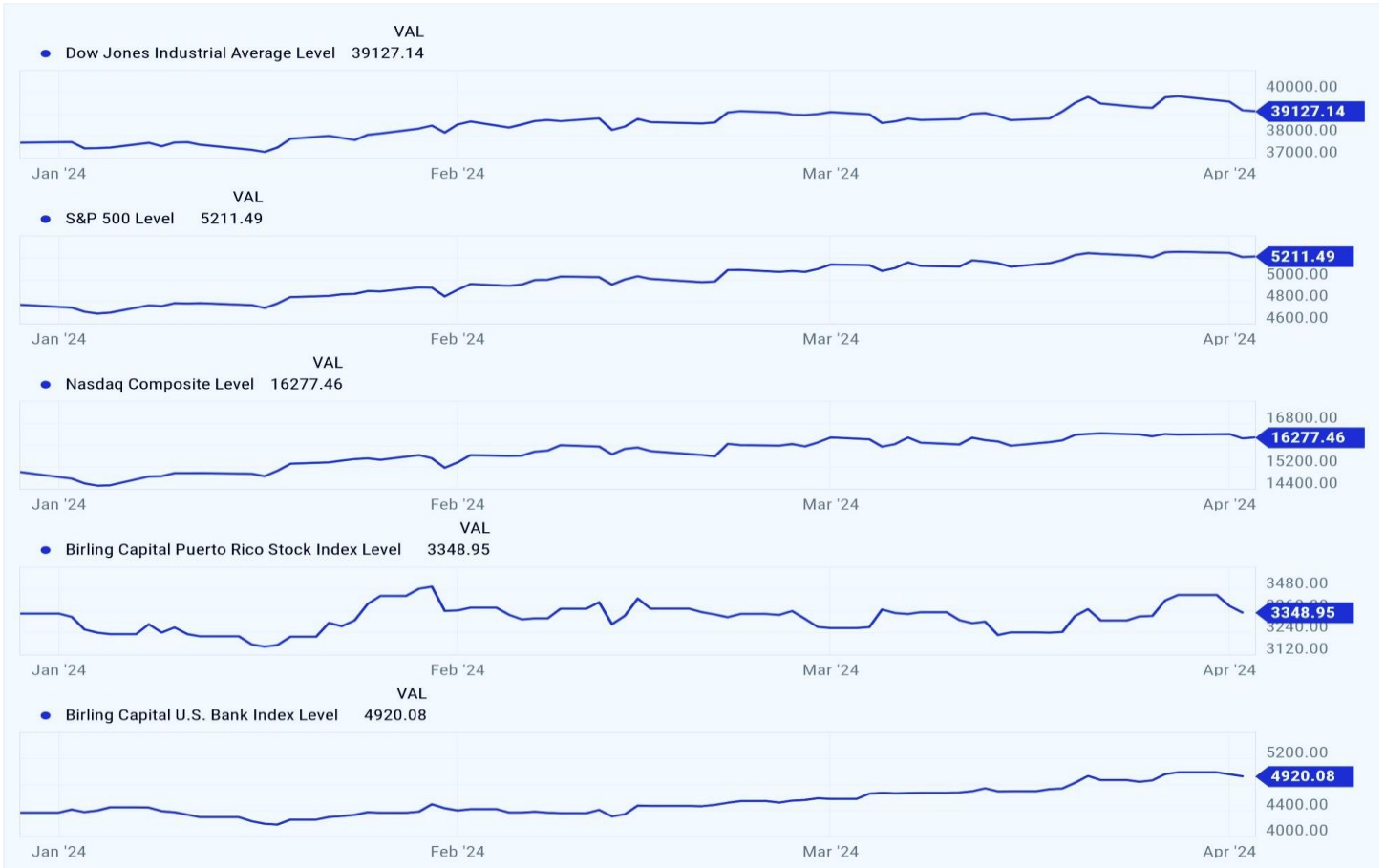


# US ISM Services PMI, US ISM Services New Orders & US ISM Services Employment Change





# Wall Street Recap April 3, 2024



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