

GLOBAL MARKET SQUARE



U.S. Retail Gas Prices fell to \$3.234 per gallon, decreasing -36.68% from its year highs, and Wall Street closed mixed.

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by Francisco Rodríguez-Castro
frc@birlingcapital.com

The U.S. & European stock markets began the last trading week of 2022 with largely asymmetrical results, with European markets closing mostly up and Wall Street closing mixed.

2022 has been one of the most challenging years for investors, as many issues impacted the global economy and market performance.

The Russian-Ukraine war, the highest inflation in 40 years, and the aggressive changes to the Fed's monetary policy. If those issues were not enough in the cradle of COVID-19 China, there is a new COVID-19 crisis forcing lockdowns, with more than 250 million cases in December alone and causing as many as 5,000 deaths per day.

As we look ahead to 2023, inflation and the Fed's storyline will continue to drive markets and investor pessimism. However, during the first quarter of 2023, most investors will begin to change their sentiment as the Fed's inflation-fighting actions finally take hold.

The latest GDPNow forecast for the fourth quarter is at 3.70% GDP; should it materialize, it would position the U.S. economy to face better the challenges that still lie ahead.

While issues at play will begin to elapse, and considering Wall Street lives in the future, markets are pricing a mild recession, which we feel creates solid opportunities for investors with a broad time horizon and with the necessary risk tolerance.

Key Economic Data:

- **U.S. Retail Gas Price:** fell to \$3.234, down from \$3.353 last week, decreasing -36.68% from its year high.
- **Japan Industrial Production Index MoM:** fell to -3.25%, compared to -1.70% last month.
- **Japan Unemployment Rate:** fell to 2.50%, compared to 2.60% last month.

Puerto Rico COVID-19 Update December 27:

- Daily Cases: 216
- Positivity Rate: 27.21%
- Hospitalizations: 206
- Deaths: 3
- Source P.R. Department of Health.

Eurozone Summary for December 27:

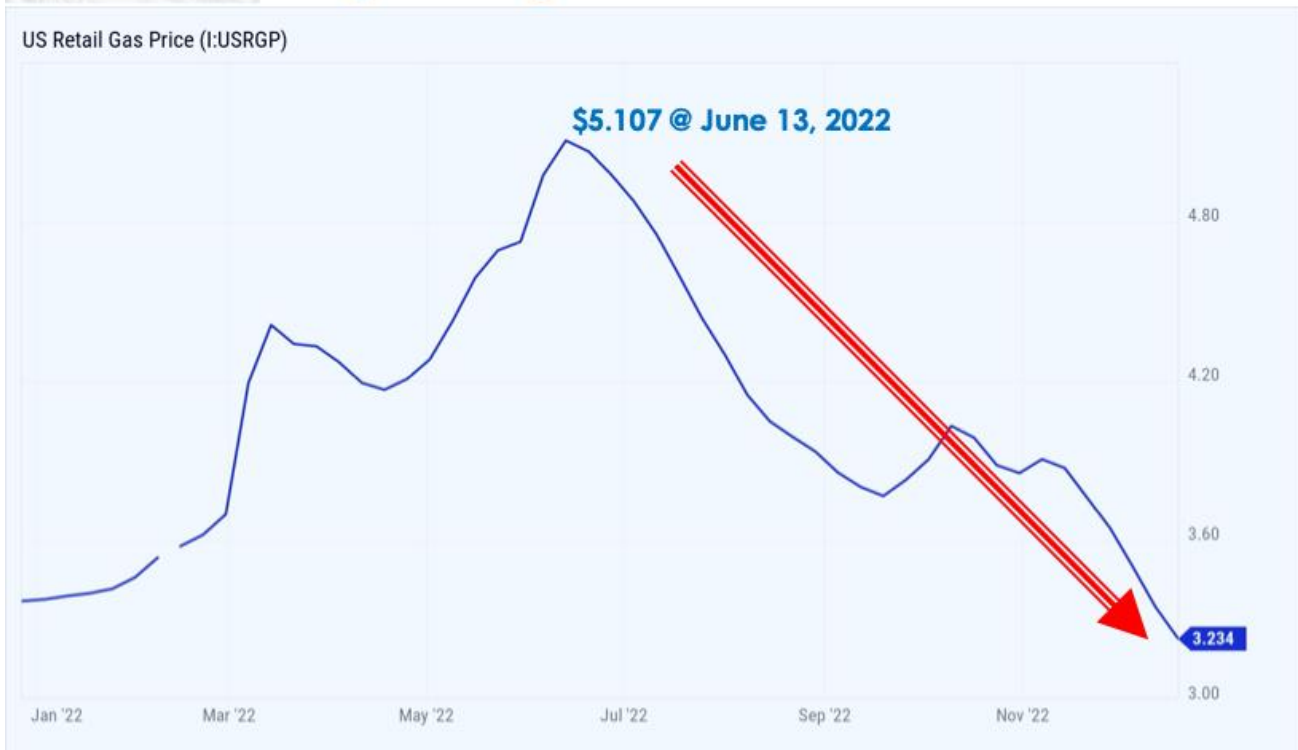
- Stoxx 600 closed at 428.00, up 0.55 points or 0.13%.
- FTSE 100 closed at 7,473.01, up 3.73 points or 0.05%.
- Dax Index closed at 13,995.10, up 54.17 points or 0.39%.

Wall Street Summary for December 27:

- Dow Jones Industrial Average closed at 33,241.56, up 37.83 points or 0.11%.
- S&P 500 closed at 3,828.25, down 15.57 points or 0.40%.
- Nasdaq Composite closed at 10,353.23, down 144.84 points or 1.38%.
- Birling Capital Puerto Rico Stock index closed at 2,483.34, down 31.37 points or 1.28%.
- U.S. Treasury 10-year note closed at 3.84%.
- U.S. Treasury 2-year note closed at 4.32%.



U.S. Retail Gas Prices fell to \$3.234 per gallon, decreasing -36.68% from its year highs in June 13 of \$5.107





Wall Street YTD Returns

Dow Jones, S&P 500, Nasdaq Composite & Birling Puerto Rico Stock Index

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