

GLOBAL MARKET SQUARE



Investors stage a massive asset rotation as they look ahead to 2023 economic data, and Wall Street closed sharply lower.

December 28, 2022

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The U.S. & European stock markets closed down again with more losses as investors staged a massive selloff preparing their portfolios for the new year. The focus is now more on the incoming 2023 macroeconomic data that starts with the Consumer Price Index on January 12, followed by the Fed's FOMC meeting on February 1.

The Inflation Nowcast forecasts the CPI for December of 6.64% and a Core CPI of 5.81%. As inflation remains so high, the Fed is expected to increase rates at least twice more during 2023. The estimates call for two increases of 25 basis points taking rates to 5%.

The economy may show some signs of slowing down as the impact of rates affects business, and once inflation shows vital signs of decreasing, we see the Fed pausing its campaign.

Key Economic Data:

- **U.S. Pending Home Sales YoY:** fell to -37.79%, compared to -37.09% last month.
- **U.S. Pending Home Sales MoM:** is at -4.03%, compared to -4.70% last month.
- **Richmond Fed Manufacturing Index:** rose to 1.00, up from -9.00 last month.

Puerto Rico COVID-19 Update December 28:

- Daily Cases: 178
- Positivity Rate: 29.96%
- Hospitalizations: 213
- Deaths: 10
- Source P.R. Department of Health.

Eurozone Summary for December 28:

- Stoxx 600 closed at 427.46, down 0.54 points or 0.13%.
- FTSE 100 closed at 7,497.19, up 24.18 points or 0.32%.
- Dax Index closed at 13,925.60, down 69.50 points or 0.50%.

Wall Street Summary for December 28:

- Dow Jones Industrial Average closed at 32,785.71, down 365.85 points or 1.10%.
- S&P 500 closed at 3,783.22, down 46.03 points or 1.35%.
- Nasdaq Composite closed at 10,282.29, down 139.94 points or 1.20%.

- Birling Capital Puerto Rico Stock index closed at 2,485.75, up 2.41 points or 0.10%.
- U.S. Treasury 10-year note closed at 3.88%.
- U.S. Treasury 2-year note closed at 4.31%.



Wall Street YTD Returns

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

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Wall Street Recap

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