

Besides a war with Russia, Inflation is the most significant threat to the U.S. Economy, U.S. Retail Sales rose 3.75%, and Wall Street closed with mixed results.

February 16, 2022

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The U.S. & European stock markets closed with asymmetrical results as the combination of war and the Federal Reserve Bank releasing its minutes proved too much information for investors to absorb. Besides a War with Russia, inflation is the biggest threat to the U.S. economy.

The Fed minutes show that it is ready to increase interest rates in March with the possibility of further tightening monetary policy faster than expected, should the U.S. inflation does not begin to decrease.

The Fed has not raised rates since 2018, so we expect a much faster rate increase to force inflation down.

There were several positive economic news, specifically the Retail Sales increase of 3.74% ahead of expectations.

Key economic data:

- U.S. Retail and Food Services Sales MoM is at 3.75%, compared to -2.54% last month.
- U.S. Industrial Production MoM is at 1.42%, compared to -0.11% last month.
- U.S. Business Inventories MoM is at 2.10%, compared to 1.46% last month.
- U.S. Export Prices YoY is at 15.05%, compared to 14.82% last month.
- U.S. Import Prices YoY is at 10.75%, compared to 10.19% last month.
- N.Y. Fed Business Leaders Survey Current Business Activity is at a current level of 0.50, down from 9.20 last month.
- NAHB/Wells Fargo US Housing Market Index is at a current level of 82.00, down from 83.00 last month.
- Canada Consumer Price Index YoY is at 5.14%, compared to 4.80% last month.
- Canada Inflation Rate is at 5.14%, compared to 4.80% last month.
- Eurozone Industrial Production Index YoY is at 1.60%, compared to -1.40% last month.
- U.K. Consumer Price Index YoY is at 5.50%, compared to 5.40% last month and 0.70% last year.
- China Producer Price Index YoY is at 9.10%, compared to 10.30% last month.
- China Inflation Rate is at 0.90%, compared to 1.50% last month.

Puerto Rico COVID-19 Daily Update:

- New Cases: 183
- Positivity Rate: 7.68%
- Puerto Rico Vaccination Rate: 84.6%
- Total Hospitalizations: 178

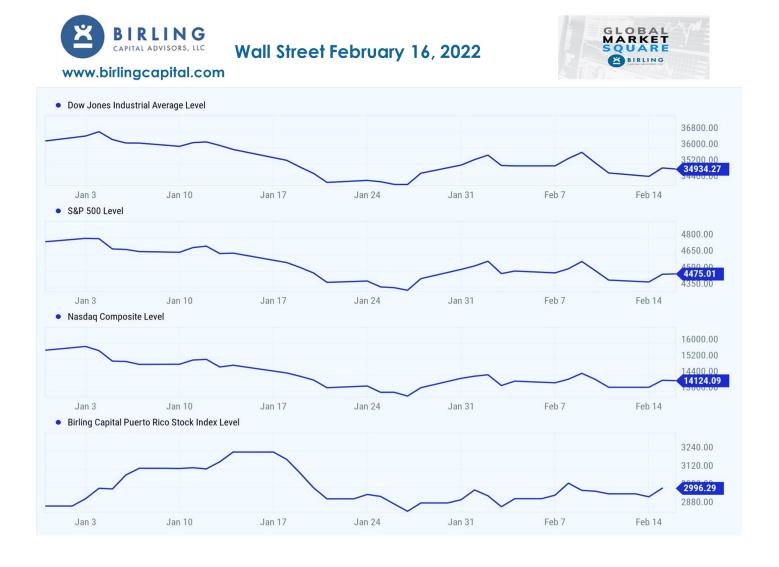
- Deaths: 8
- Source: Puerto Rico Department of Health

Eurozone Summary for February 16:

- Stoxx 600 closed at 467.22, up 6.26 points or 1.34%.
- FTSE 100 closed at 7,608.92, up 77.33 or 1.09%.
- Dax Index closed at 15,380.66, up 266.69 points or 1.76%.

Wall Street summary for February 16:

- Dow Jones Industrial Average closed at 34,934.27, down 54.57 points or 0.16%.
- Standard & Poor's 500 closed at 4,475.01, up 3.94 or 0.09%.
- Nasdaq Composite Index closed at 14,124.10, down 15.66 points, or 0.11%.
- Birling Capital Puerto Rico Stock Index closed at 2,996.29, up 56.58 points, or 1.72%.
- The U.S. Treasury 10-year note closed at 2.03%.
- The U.S. Treasury 2-year note closed at 1.52%.

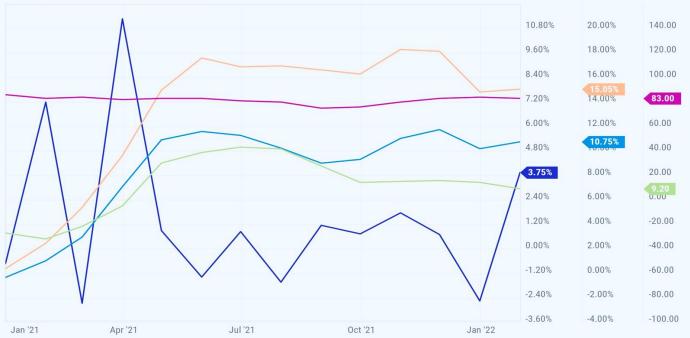




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US. Retail Sales, Exports, Imports, Business Inventories, NY. Fed Business Survey and NAHB/Well Fargo US Housing Index

- US Retail and Food Services Sales MoM
- US Export Prices YoY
- US Import Prices YoY
- NY Fed Business Leaders Survey Current Business Activity
- NAHB/Wells Fargo US Housing Market Index



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