

GLOBAL MARKET SQUARE



Stock & Asset Rotation takes the Nasdaq Composite near correction territory, Wall Street closed with losses.

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by Francisco Rodríguez-Castro
frc@birlingcapital.com

The U.S. & European stock markets began the week with a continuation of the stock and asset rotation that has engulfed investors since the year started.

While we note that all the major indexes have taken a hit, the most impacted is the technology-laden Nasdaq Composite that has fallen -702.14, followed by the Dow Jones with -269.43 and the S&P 500 with -95.89 points since the year began; however, the Nasdaq managed to close slightly up rise 6.93 points. The current sell-off is driven by increasing yields on U.S. government bonds. Most investors sell the debt to prepare their portfolios for the interest rate increases the market expects as the Federal Reserve Bank changes its monetary policy to curb the inflation increase.

The benchmark U.S. Treasury 10-year note has seen its yield rise from 1.48% on December 31, 2021, to 1.78% at today's markets close, a whopping 20.27% rise.

These increases in yields have been some of the biggest in the past 20 years.

Puerto Rico COVID-19 Update: Daily Stats

- New Cases: 2,225 average per day, an increase of 10.86%.
- Positivity Rate: 39.97%.
- Puerto Rico Vaccination Rate: 80.9%
- New Tests: 6,903 on average per day.
- Total Tests from 12/13/21 to 1/9/22: 309,703
- Total Adults Hospitalization's: 664, an 16.69% rise since yesterday.
- Total Children Hospitalizations: 86, an 8.86% increase since yesterday.
- Total Hospitalizations: 750, a 15.74% rise since yesterday.

Key economic data:

- U.S. Wholesale Inventories MoM: fell to 1.54%, compared to 2.32% last month.
- Eurozone Unemployment Rate: fell to 7.20%, compared to 7.30% last month.
- China Inflation Rate: rose to 2.30%, compared to 1.50% last month.
- China Producer Price Index YoY: fell to 12.90%, compared to 13.50% last month.

Eurozone Summary for January 10:

- Stoxx 600 closed at 479.04, down 7.21 points or 1.478%.
- FTSE 100 closed at 7,445.25, down 40.03 or 0.53%.
- Dax Index closed at 15,768.27, down 179.47 points or 1.13%.

Wall Street summary for January 10:

- Dow Jones Industrial Average closed at 36,068.87, down 162.79 points or 0.45%.
- Standard & Poor's 500 closed at 4,670.29, down 6.75 or 0.14%.
- Nasdaq Composite Index closed at 14,942.83, up 6.93 points, or 0.05%.
- Birling Capital Puerto Rico Stock Index closed at 3,247.03, up 37.13 points, or 1.16%.
- The U.S. Treasury 10-year note closed at 1.78%.
- The U.S. Treasury 2-year note closed at 0.92%.

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