

GLOBAL MARKET SQUARE



Google to lay off 12,000 employees, pushing tech sector layoffs to 72,000, U.S. Existing home sales fell 33.99% year-over-year, and Wall Street closed higher.

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The U.S. & European stock markets closed the session with gains amid validation that the leading central banks in the U.S. and European Union will maintain their current path of increasing rates to fight inflation, which could lead to a high-interest rate environment for longer than investors had anticipated. The economy continues to provide signs of a much weaker economic climate, which is evidenced by this week's housing markets data, which includes U.S. Existing Home Sales are down to 4.02 million, falling 33.99% from a year ago; U.S. Housing Starts are down to 1.382 million, declining 21.83% from a year ago, and U.S. Building Permits are down 1.33 million, falling 29.85% from a year ago. The economic erosion possibility, mixed with pessimistic investor sentiment, could potentially drag down equity & bonds markets that have had a good start in the new year and, until now, celebrated the initial signs that disinflation had taken hold.

Moving on to Europe, the Eurozone seems to be moving towards an improved economic sentiment. The reduction in energy prices has provided a much-needed respite, even though the interest rate environment will continue to move upwards.

In tech news today, Google's Parent, Alphabet, announced that it was laying off 12,000 employees or 6% of its workforce; Google's share price rose to \$99.28, up 5.72%. So far this week, we have seen Microsoft laying off 10,000 employees; when these new layoffs are combined with those of Amazon's 18,000 and 11,000 by Facebook parent Meta and those of other companies in total, there have been more than 72,000 layoffs taking place only in the tech sector, not a promising start.

Key Economic Data:

- **U.S. Existing Home Sales:** fell to 4.02 million, down from 4.08 million last month, decreasing -1.47%.
- **U.S. Job Openings: Total Nonfarm:** fell to 10.46 million, down from 10.51 million last month, dropping -0.51%.
- **Canada Retail Sales MoM:** fell to -0.09%, compared to 1.28% last month.
- **U.K. Retail Sales YoY:** fell to -5.80%, compared to -5.70% last month.
- **Germany Producer Price Index YoY:** fell to 21.60%, compared to 28.20% last month.

Puerto Rico COVID-19 Update January 20:

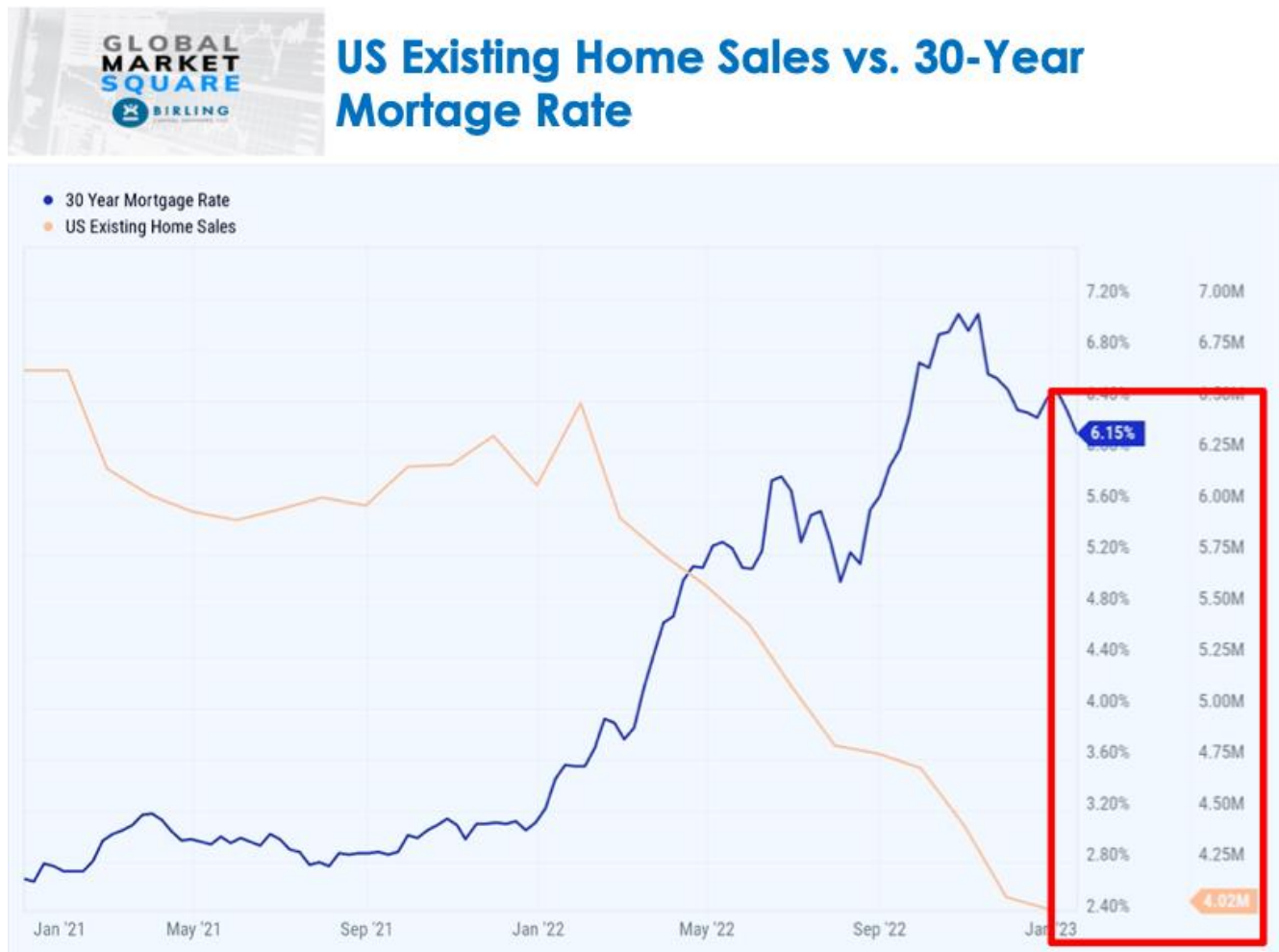
- Daily Cases: 169
- Positivity Rate: 22.13%
- Hospitalizations: 223
- Deaths: 5
- Source P.R. Department of Health.

Eurozone Summary for January 20:

- Stoxx 600 closed at 452.03, up 1.58 points or 0.35%.
- FTSE 100 closed at 7,770.59, up 23.30 points or 0.30%.
- Dax Index closed at 15,033.56, up 113.20 points or 0.76%.

Wall Street Summary for January 20:

- Dow Jones Industrial Average closed at 33,044.56, up 330.93 points or 1.00%.
- S&P 500 closed at 3,972.61, up 73.76 points or 2.66%.
- Nasdaq Composite closed at 11,140.44, up 288.17 points or 0.96%.
- Birling Capital Puerto Rico Stock index closed at 2,590.09, up 25.38 points or 0.99%.
- U.S. Treasury 10-year note closed at 3.48%.
- U.S. Treasury 2-year note closed at 4.14%.



US Job Openings: Total Nonfarm vs. US Unemployed Persons: Job Seekers

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Canada Retail Sales MoM, UK Retail Sales YoY & Germany Producer Price Index YoY

- Canada Retail Sales MoM (I:CRSMM)
- UK Retail Sales YoY (I:UKCRS)
- Germany Producer Price Index YoY (I:GCPPIUM)





Wall Street Recap

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