

The Fed signals that interest rate will begin rising in March, New Single-Family Homes sold increase by 11.86%, Wall Street closed with mixed results.

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The U.S. & European stock markets closed with asymmetrical results. As soon as the Federal Reserve Bank Chair Powell offered his press conference, the markets tanked as the Fed signalled that it would start raising rates sooner than expected. The expectation is that the Fed will begin increasing rates in March rather than the previous consensus of July. The Fed seeks to achieve full employment and bring inflation down to its benchmarks of 2% in the longer run; for that reason, we quote, "The Committee expects it will soon be appropriate to raise the target range for the federal funds rate; said Fed Chair Powell".

As the Dow Jones and the S&P fell, the Nasdaq composite closed with gains supported by Microsoft (MSFT), which had reported earnings that beat all expectations yesterday, provided a rosier financial forecast for the rest of the year saw its stock rise to \$296.71, up 2.85%.

Corporate News:

- First Bancorp. (FBP) reported its 4Q21 earnings with a 4Q21 Net income of \$73.6 million, resulting in earnings per share of \$0.35. The 2021 full-year net income was \$281.0 million versus de 2020 full year of \$102.3 million, an increase of 174.6% year over year with earnings per share of \$1.31. The stock closed at \$14.87, down 2.11%.
- Tesla (TSLA): reported its 4Q21 earnings that beat expectations with total revenues of \$17.719 billion up 65% and net income of \$2.321 billion, up 760%. Tesla was able to deliver 936,282 cars, an increase of 87%. The stock closed at \$937.41, up 2.07%.

Key economic data:

- U.S. New Single-Family Houses Sold: rose to 811,000, up from 725,000 last month, increasing 11.86%.
- Case-Shiller Composite 20 Home Price Index YoY: fell to 18.27%, compared to 18.45% last month.
- German Ifo Business Climate Index: rose to 95.70, up from 94.80 last month.
- Japan Business Conditions Composite Coincident Index: rose to 92.80, up from 89.80 last month, increasing 3.34%.

Puerto Rico COVID-19 Daily Update:

- New Cases: 1,104, rising 5.65%.
- Total Cases from 12/13/21 to 1/24/22: 97,798.
- Positivity Rate: 24.12%, down 2.26%.
- Puerto Rico Vaccination Rate: 82.4%.

- Total Hospitalizations: 662, falling 2.26%.
- Deaths: 15, decreasing 44.4%
- Source: Puerto Rico Department of Health

Eurozone Summary for January 26:

- Stoxx 600 closed at 467.42, up 7.83 points or 1.70%.
- FTSE 100 closed at 7,469.78, up 98.32 or 1.33%.
- Dax Index closed at 15,459.39, up 335.52 points or 2.22%.

Wall Street summary for January 26:

- Dow Jones Industrial Average closed at 34,168.09, down 129.64 points or 0.38%.
- Standard & Poor's 500 closed at 4,349.93, down 6.52 or 0.15%.
- Nasdaq Composite Index closed at 13,542.12, up 2.82 points, or 0.02%.
- Birling Capital Puerto Rico Stock Index closed at 3,088.11, down 13.07 points, or 0.42%.
- The U.S. Treasury 10-year note closed at 1.85%.
- The U.S. Treasury 2-year note closed at 1.13%.



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