



A Mixed Start for Global Markets in 2024, the GDPNow suffers a 15% Decrease to 2.00% GDP.

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The U.S. and European stock markets closed the 2024 initial session with mixed results; with light trading and no critical economic headlines, investors appear to be taking a breather.

Asian markets closed mainly down, responding to mixed manufacturing reports from China.

Investors look forward to the upcoming labor-market reports, beginning with JOLTS job openings tomorrow, followed by the ADP Employment Change, Unemployment claims, and ending with the nonfarm payrolls and the unemployment rate on Friday.

As we begin 2024 and have had a double-digit return year in the S&P 500 of 24.235 and the Birling Capital Puerto Rico Stock index of 32.65%, we must review the historical context and the likelihood that the markets will continue their ride upwards. In that context, we review the returns since 2019 of both:

Index	Year	Return
S&P 500	2019	31.21%
Birling PR Stock Index	2019	29.17%
S&P 500	2020	18.02%
Birling PR Stock Index	2020	-3.43%
S&P 500	2021	28.47%
Birling PR Stock Index	2021	43.88%
S&P 500	2022	-18.01%
Birling PR Stock Index	2022	-12.45%
S&P 500	2023	24.23%
Birling PR Stock Index	2023	32.65%

As you can see, the S&P 500 in the last five years had positive returns in four years or 80%, while the Birling Puerto Rico Stock Index has had three positive years in the previous five for 60%; so, these are the odds whether the markets may repeat itself with a positive return.

In other words, the strong 2023 could spill over into 2024.

As we said, the Fed is expected to pivot towards rate cuts to 75 basis points, which could take the markets to higher levels.

GDPNow Update:

- The GDPNow was updated today, falling to 2.00% GDP, down from 2.30% GDP, a 15.00% decrease.

Key Economic Data:

- **U.S. Retail Gas Price:** rose to \$3.238, up from \$3.176 last week, increasing 1.95%.
- **U.S. Construction Spending MoM:** fell to 0.37%, compared to 1.24% last month.

Eurozone Summary:

- **Stoxx 600** closed at 478.51, down 0.51 points or 0.11%.
- **FTSE 100** closed at 7,721.52, down 11.72 points or 0.15%.
- **Dax Index** closed at 16,769.36, up 17.72 points or 0.11%.

Wall Street Summary:

- **Dow Jones Industrial Average** closed at 37,715.04, up 25.50 points or 0.07%
- **S&P 500** closed at 4,742.83, down 27.00 points or 0.57%.
- **Nasdaq Composite** closed at 14,765.94, down 245.41 points or 1.63%.
- **Birling Capital Puerto Rico Stock Index** closed at 3,343.91, down 31.35 points or 0.93%.
- **Birling Capital U.S. Bank Stock Index** closed at 4,358.57, down 14.61 points or 0.33%.
- **U.S. Treasury 10-year note** closed at 3.95%.
- **U.S. Treasury 2-year note market** closed at 4.33%.

Federal Reserve Bank of Atlanta

GDPNow Update

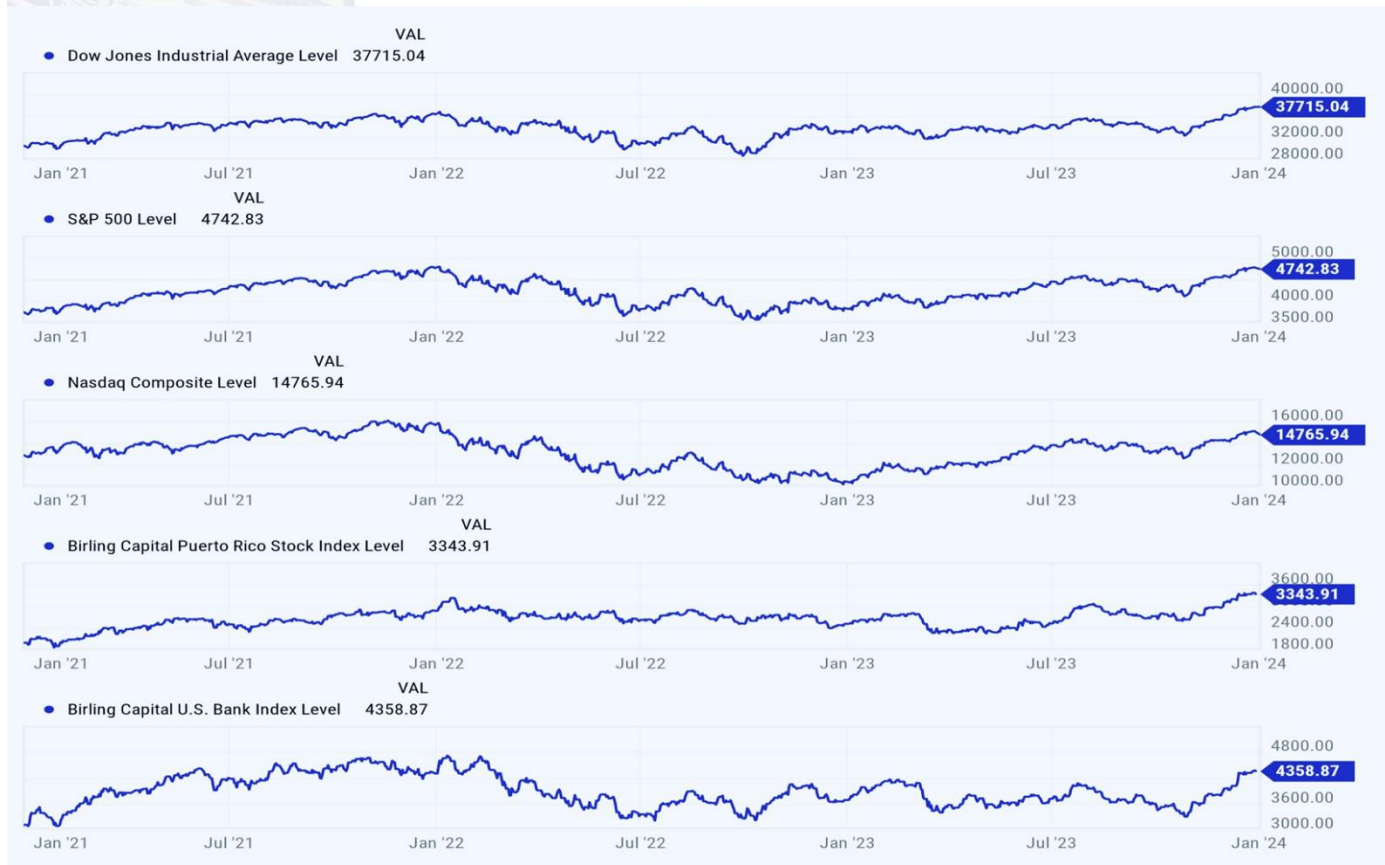
Date	GDPNow 4Q23	Change
10/27/2023	2.30%	Initial Forecast
11/1/2023	1.20%	-91.67%
11/7/2023	2.10%	42.86%
11/8/2023	2.10%	0.00%
11/15/2023	2.20%	4.55%
11/17/2023	2.00%	-10.00%
11/22/2023	2.10%	4.76%
11/30/2023	1.80%	-16.67%
12/1/2023	1.20%	-50.00%
12/6/2023	1.30%	7.69%
12/7/2023	1.20%	-8.33%
12/14/2023	2.60%	53.85%
12/19/2023	2.70%	3.70%
12/22/2023	2.30%	-17.39%
1/2/2024	2.00%	-15.00%



Wall Street Recap

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