

Snapchat earnings miss sets the path for other tech companies, American Express Firstbank beat expectations, and Wall Street closed down.

Julio 22, 2022

by Francisco Rodríguez-Castro frc@birlingcapital.com

The U.S. & European stock markets ended the week with asymmetrical results with disappointing tech earnings from Snap and Twitter, and other tech stocks taking thrifty measures pulled the Nasdaq lower as well as the other indices.

Netflix lost 1 million subscribers, which we are supposed the assume was great news; also, Snapchat fell close to 40% following a worst than expected 2Q loss. Finally, before the pain goes away, we have to factor in that other social media companies may experience worst than expected advertising decreases.

With Apple, Microsoft, Alphabet, and Meta reporting next week, we must closely examine results as they could point to an increased weakness in the tech sector and a stark reduction in advertising spending.

As the macroeconomic conditions worsen, we may see analyst expectations trending downward with revision for the entire 2022 outlook.

Wall Street losses today did not affect the week, which turned out to be one of the best in months.

For the Eurozone, contrary to all expectations, Russia announced that it would resume gas supplies via the Nord Stream 1 pipeline following scheduled maintenance on the European front.

Corporate Earnings Parade:

- **First Bancorp(FBP):** reported 2Q22 earnings with revenues of \$227.10 million, up 5.46%, beating estimates, and a net income of \$74.7 million, up 5.53%; the provision for loan losses increased to \$10 million. The company has a price target of \$17.20, and the stock closed at \$14.66, down \$0.18.
- **SNAP, INC. (SNAP):** reported 2Q22 earnings with revenues of \$1,111 billion, up 13%, and a loss of (\$422) million, missing estimates. The company stock has a price target of \$24.92, closing at \$9.96, down \$6.39.
- American Express (AXP): reported 2Q22 earnings with revenues of \$13.4 billion, up 31%, beating estimates, and a net income of \$1,964 billion, down 14%; The provision for loan losses increased to \$410 million. The company has a price target of \$170.50, and the stock closed at \$152.85, up \$2.67.

Key economic data:

- Canada Retail Sales MoM: rose to 2.25%, compared to 0.74% last month.
- U.K. Retail Sales YoY: fell to -5.80%, compared to -4.70% last month.
- U.K. Retail Sales MoM: is at -0.10%, compared to -0.80% last month.

Puerto Rico COVID-19 Update July 22:

- Daily Cases: 464, up 2.15%.
- Positivity Rate: 32.07%, up 3.73%.
- Hospitalizations: 334, down 2.62%.
- Deaths: 10, up 20%.
- Source Puerto Rico Department of Health.

Eurozone Summary for July 22:

- Stoxx 600 closed at 426.08, up 1.69 points or 0.40%.
- FTSE 100 closed at 7,276.37, up 5.86 points or 0.81%.
- Dax Index closed at 13,253.68, up 7.04 points or 0.053%.

Wall Street Summary for July 22:

- Dow Jones Industrial Average closed at 31,899.29, down 137.61 points or 0.43%.
- S&P 500 closed at 3,961.67, down 37.22 points or 0.93%.
- Nasdag Composite closed at 11,834.11, down 226.50 points or 1.87%.
- Birling Capital Puerto Rico Stock index closed at 2,753.16, up 11.39 points or 0.42%.
- The U.S. Treasury 10-year note closed at 2.77%.
- The U.S. Treasury 2-year note closed at 2.98%.

The Inverted Yield Curve spread widened for the twelve consecutive trading sessions.



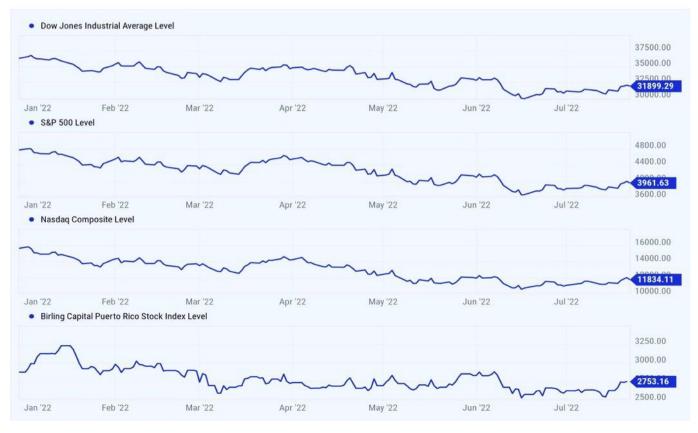
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Firstbank, Snap & American Express **Returns YTD 2022**





Wall Street Recap July 22, 2022



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