

One of the busiest corporate earnings season weeks begins with the Fed set to start its July meeting, and Wall Street closed with mixed results.

Julio 25, 2022

by Francisco Rodríguez-Castro
frc@birlingcapital.com

The U.S. & European stock markets began the week with mixed results as a week jammed pack with corporate earnings and the July Fed meeting, which starts on Tuesday, also takes place.

Some of the companies during the week, including Apple, Alphabet, Popular, Inc., Meta, and Microsoft, report their 2Q22 earnings, and their results will drive the market trends for weeks to come.

As for the Fed FOMC meeting, the market is pricing a 75 basis point increase; however, the market truly needs a bold action of 100 basis points or more to fight inflation properly.

After the market closed, Walmart (WMT) issued its second consecutive profit warning in two months.

Walmart's warning with Target (TGT) also reducing its profits forecast sets the stage for tomorrow's bloody trading session.

Walmart CEO Doug McMillon stated, "The increasing levels of food and fuel inflation are affecting how customers spend." Walmar's said its operating income would fall by 13 to 14 percent in the quarter and 11 to 13 percent over the rest of 2022 as it discounts merchandise to clear excess inventory.

Key economic data:

- U.S. Retail Gas Price: fell to \$4.44, down from \$4.59 last week, decreasing -3.46%.
- Germany Ifo Business Expectations Index: fell to 80.30, down from 85.50 last month, declining -6.08%.

Puerto Rico COVID-19 Update July 25:

- Daily Cases: 489, up 5.11%.
- Positivity Rate: 34.55%, up 7.17%.
- Hospitalizations: 356, up 6.17%.
- Deaths: 3, down 70%.
- Source Puerto Rico Department of Health.

Eurozone Summary for July 25:

- Stoxx 600 closed at 426.25, up 0.54 points or 0.13%.
- FTSE 100 closed at 7,306.30, up 29.93 points or 0.41%.
- Dax Index closed at 13,210.32, down 43.36 points or 0.32%.

Wall Street Summary for July 25:

- Dow Jones Industrial Average closed at 31,990.04, up 90.75 points or 0.28%.
- S&P 500 closed at 3,966.64, up 5.21 points or 0.13%.
- Nasdaq Composite closed at 11,834.11, down 51.45 points or 0.43%.
- Birling Capital Puerto Rico Stock index closed at 2,751.40, down 1.76 points or 0.06%.
- The U.S. Treasury 10-year note closed at 2.81%.
- The U.S. Treasury 2-year note closed at 3.00%.

The Inverted Yield Curve spread widened for the thirteenth consecutive trading session.



www.birlingcapital.com

Wall Street Recap

July 25 , 2022



Dow Jones, S&P 500, Nasdaq & Birling Puerto Rico Stock Index, YTD Returns 7/25/22



Global Market Square © es una publicación preparada por Birling Capital LLC y resume los recientes desarrollos geopolíticos, económicos, de mercado y otros que pueden ser de interés para los clientes de Birling Capital LLC. Este informe está destinado únicamente a fines de información general, no es un resumen completo de los asuntos a los que se hace referencia y no representa asesoramiento de inversión, legal, regulatorio o fiscal. Se advierte a los destinatarios de este informe que busquen un abogado profesional adecuado con respecto a cualquiera de los asuntos discutidos en este informe teniendo en cuenta la situación de los destinatarios. Birling Capital no se compromete a mantener a los destinatarios de este informe informados sobre la evolución futura o los cambios en cualquiera de los asuntos discutidos en este informe. Birling Capital. El símbolo de registro y Birling Capital se encuentran entre las marcas registradas de Birling Capital. Todos los derechos reservados.