

# GLOBAL MARKET SQUARE



**Global Markets recorded the worst first semester in 52 years; the Core PCE fell to 4.69%, the third consecutive decrease, and Wall Street closed down.**

**June 30, 2022**

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The U.S. & European stock markets ended the first semester of 2022 with the worst beginning in 52 years.

We can summarize the key for this market evaporation with one phrase: Out-of-Control Inflation.

Today the Federal Reserve Banks' preferred inflation benchmark, the Core Personal Consumption Expenditures Price Index, fell to 4.69%, a decrease of 4.67% compared to 4.92% last month; the fundamental topic is that the index has been coming down for three consecutive months.

Also, oil fell to \$105/barrel, and natural gas fell by more than 14%.

Lastly, jobless claims fell slightly by 0.86%, and the unemployment rate remains firmly low at 3.60%, indicating that economic growth continues.

The economic sectors ended the first semester ranked by alphabetical order with their year to date returns as follows:

- Basic Materials **-17.80%**
- Communication Services **-29.29%**
- Consumer Cyclical **-31.75%**
- Consumer Defensive **-6.46%**
- Energy **+31.62%**
- Financial Services **-18.75%**
- Healthcare **-8.77%**
- Industrials **-17.71%**
- Real Estate **-21.19%**
- Technology **-25.90%**
- Utilities **-3.10%**

## **Key economic data:**

- U.S. Core PCE Price Index YoY: fell to 4.69%, compared to 4.92% last month.
- U.S. Initial Claims for Unemployment Insurance: fell to 231,000, down from 233,000 last week, decreasing slightly by -0.86%.
- U.S. Personal Income MoM: rose to 0.53%, compared to 0.50% last month.
- U.S. Personal Spending MoM: fell to 0.19%, compared to 0.55% last month.

- Chicago PMI: fell to 56.00, down from 60.30 last month, decreasing by -7.13%.
- 30-Year Mortgage Rate: fell to 5.70%, compared to 5.81% last week
- Canada Real GDP MoM is at 0.34%, compared to 0.67% last month
- Eurozone Unemployment Rate: fell 6.60%, compared to 6.70% last month.
- Germany's Real Retail Sales YoY: fell to 0.40%, compared to 3.30% last month.
- U.K. Real GDP QoQ: fell to 0.80%, compared to 1.30% last quarter.
- U.K. Real GDP YoY: rose to 8.70%, compared to 6.60% last quarter.
- Japan Housing Starts YoY: fell to -4.30%, compared to 2.40% last month.

### **Puerto Rico COVID-19 Update June 30:**

- Daily Cases: 716
- Positivity Rate: 31.31%
- Hospitalizations: 386
- Deaths: 10
- Source Puerto Rico Department of Health.

### **Eurozone Summary for June 30:**

- Stoxx 600 closed at 406.88, down 6.54 points or 1.58%.
- FTSE 100 closed at 7,169.28, down 143.04 points or 1.96%.
- Dax Index closed at 12,783.77, down 219.58 points or 1.69%.

### **Wall Street Summary for June 30:**

- Dow Jones Industrial Average closed at 30,775.43, down 253.88 points or 0.82%.
- S&P 500 closed at 3,785.38, down 33.45 points or 0.88%.
- Nasdaq Composite closed at 11,028.74, down 149.16 points or 1.33%.
- Birling Capital Puerto Rico Stock index closed at 2,612.89, down 36.61 points or 1.38%.
- The U.S. Treasury 10-year note closed at 2.98%.
- The U.S. Treasury 2-year note closed at 2.92%.



• Dow Jones Industrial Average Level



• S&P 500 Level



• Nasdaq Composite Level



• Birling Capital Puerto Rico Stock Index Level



## U.S. Core PCE Price Index YoY, US PCE Index YoY, US Personal Income MoM, US Personal Spending MoM & Chicago PMI

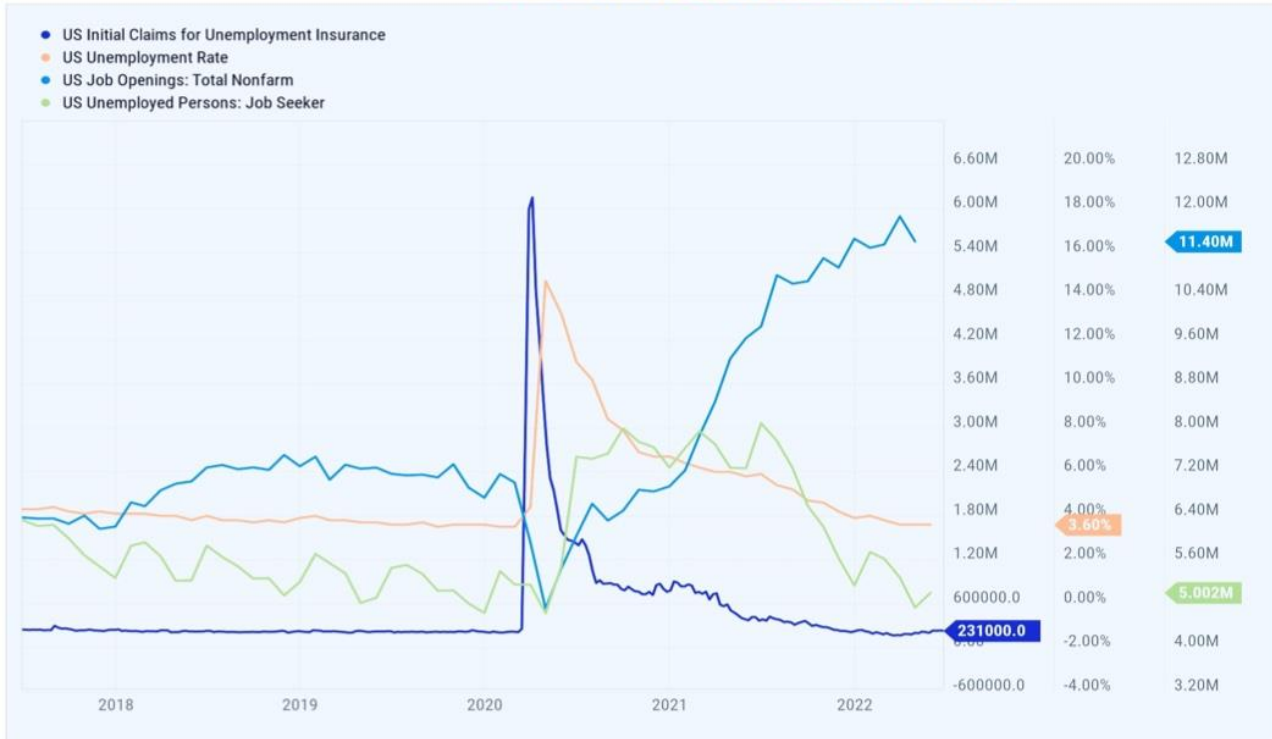




# Unemployment Data

www.birlingcapital.com

The U.S. Labor Department reported on June 30 that the claims fell to 231,000 down 0.86%



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