

GLOBAL MARKET SQUARE



A recession is possible; achieving a "soft landing" will be difficult; according to the Fed, Wall Street closed down.

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The U.S. & European stock markets closed the session with losses after Fed Chair Jerome Powell delivered his Semiannual Monetary Policy Report to Congress.

Chairman Powell said, "The Fed understands the hardship inflation is causing and reaffirmed his commitment to bringing inflation down," end of quote.

The markets, which had been up most of the day, closed with losses as investors' fears of a recession were fueled by the Fed's responses to Congress.

As inflation continues to be 329% above the Fed's 2% target rate, it forces the bank to continue taming inflation by raising rates.

Chairman Powell made several points during the Q&A with Congress. We highlight a few:

- While demand remains robust, supply chain disruptions have been long-lasting and more extensive than expected.
- Price pressures have impacted a broader range of both goods and services.
- The out-of-control prices of crude oil and other commodities that resulted from Russia's invasion of Ukraine created a more significant than expected upwards price increase, impacting inflation accordingly.
- Recession is a possibility; achieving a "soft landing," in which policy tightens without severe economic circumstances such as a recession, will be difficult.

Key Economic Data:

- Canada Consumer Price Index YoY: rose to 7.73%, compared to 6.77% last month.
- Canada Inflation Rate: rose to 7.73%, compared to 6.77% last month.
- U.K. Consumer Price Index YoY: is at 9.10%, compared to 9.00% last month.
- U.K. Producer Price Index: Input YoY: rose to 22.00%, compared to 20.85% last month.
- U.K. Average House Price YoY: rose to 12.37%, compared to 9.75% last month.

Puerto Rico COVID-19 Update June 22:

- Daily Cases: 582, down 22.506%.
- Positivity Rate: 29.53%, up 0.03%
- Hospitalizations: 354, up 0.56%
- Deaths: 10
- Source Puerto Rico Department of Health.

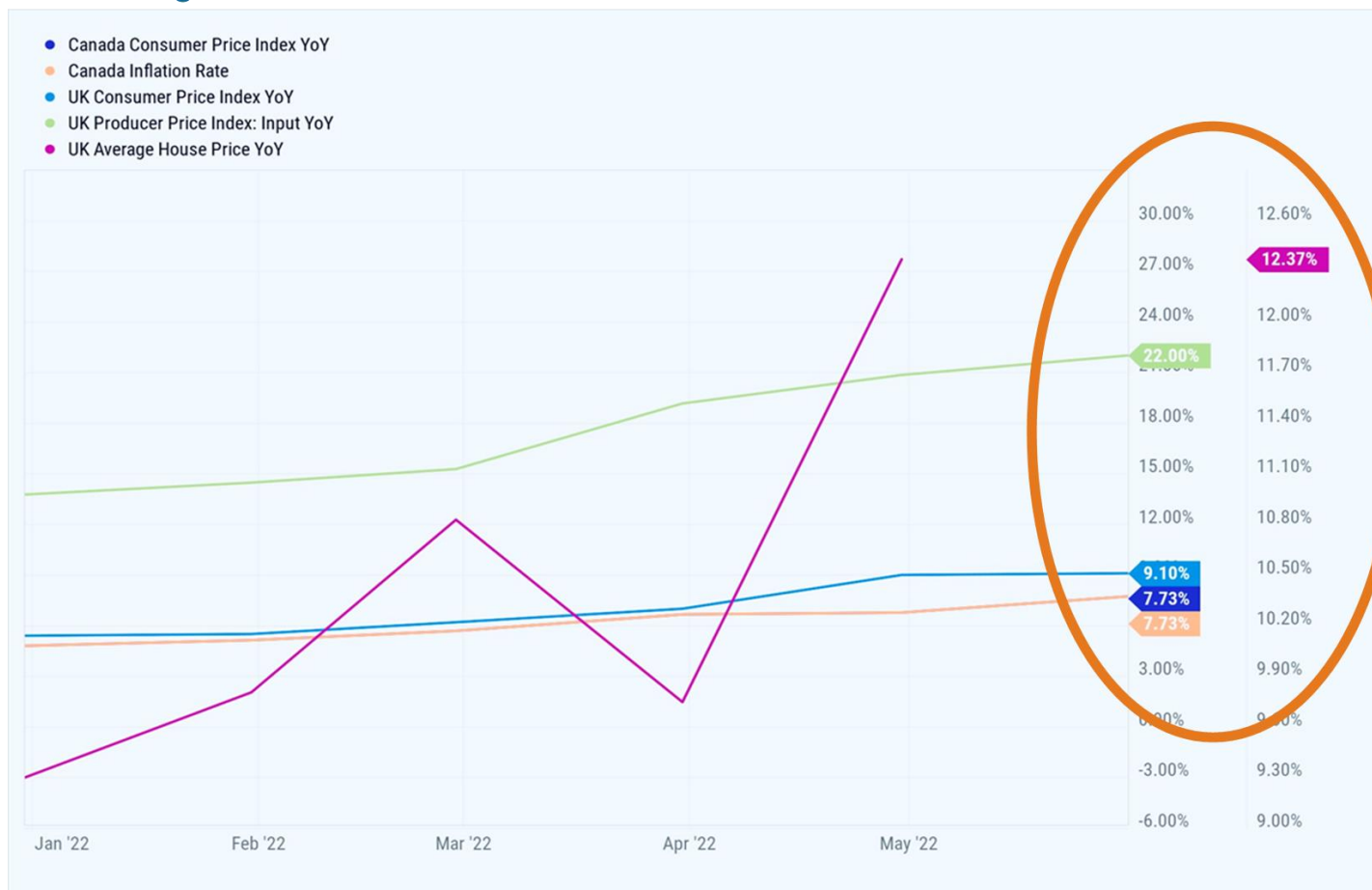
Eurozone Summary for June 22:

- Stoxx 600 closed at 405.90, down 2.68 points or 0.66%.
- FTSE 100 closed at 7,089.22, down 62.83 points or 0.88%.
- Dax Index closed at 13,144.28, down 148.12 points or 1.11%.

Wall Street Summary for June 22:

- Dow Jones Industrial Average closed at 30,483.13, down 47.12 points or 0.15%.
- S&P 500 closed at 3,759.89, down 4.90 points or 0.13%.
- Nasdaq Composite closed at 11,053.08, down 16.22 points or 0.15%.
- Birling Capital Puerto Rico Stock index closed at 2,625.04, up 44.81 points or 1.74%.
- The U.S. Treasury 10-year note closed at 3.16%.
- The U.S. Treasury 2-year note closed at 3.06%.

Canada Consumer Price Index, Canada Inflation Rate, UK Consumer Price Index, UK Producer Price Index & UK Average House Prices



YTD Returns





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