

GLOBAL MARKET SQUARE



The EU approved Ukraine's candidacy to join the union, Germany to ration gas, Kaliningrad could take the EU into World War 3, and Wall Street closed with gains.

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The U.S. & European stock markets closed the session with asymmetrical results.

As investors continue to absorb the testimony from Fed Chair Powell to Congress reaffirmed his commitment to reducing inflation by increasing interest rates. Chair Powell reasons that the overall economic conditions in the U.S are good, with a strong jobs market and robust consumer demand. While the Fed Chairman was talking, the initial unemployment claims reported a slight reduction of 0.87%. Wall Street staged a late rally to close with solid gains as the testimony ended.

Eurozone in Focus

In Europe, three significant issues are emerging from Europe. The first issue is the news that the EU leaders agreed that Ukraine and Moldova had become candidates to join the European Union membership. At the same time, it is both a symbolic and historical determination, particularly in the theater of a war with Russia.

The second issue, as we have often said, is that the Eurozone depends on 25% for oil and 40% for gas exports from Russia, and some are inching a step closer to starting rationing.

Russia may be using its significant oil and gas exports as another weapon to send the Eurozone into a crisis.

Germany has seen its gas supply fall by 60%, forcing it ever closer to implementing a gas rationing. Meanwhile, the Russian company Gazprom claims to implement "Scheduled Repairs" to its Nord 1 Pipeline.

The third issue brewing is Kaliningrad, a Russian exclave located on the Baltic Sea that most have never heard of its existence. Access to Kaliningrad is by plane, boat, or a single train line that travels from Russia via Belarus and Lithuania. The train shipments to Kaliningrad have to comply with the sanctions imposed on Russia by the EU.

The sanctioned materials include iron, steel, luxury goods, and a hundred other products that are part of previous sanctions and represent a quarter of the total supplies that Kaliningrad receives via train from Russia.

Russia is accusing the EU of implementing a "blockade" of Kaliningrad. Russian Security Council Secretary Nikolai Patrushev said, "Russia would react to these hostilities" soon after Lithuania began implementing sanctions; aggression by Russia would be considered an act of war.

Key economic data:

- U.S. Initial Claims for Unemployment Insurance: fell to 229,000, down from 231,000 last week, decreasing -0.87%.
- 30-Year Mortgage Rate: rose to 5.78%, compared to 5.23% last week.
- Kansas City Fed Manufacturing Production Index: fell -1.00, down from 19.00 last month.
- Japan Consumer Price Index YoY: rose to 1.70%, compared to 1.50% last month.
- China Exports YoY: rose to 16.79%, compared to 3.68% last month.
- China Imports YoY: rose to 5.08%, compared to 0.65% last month.

Puerto Rico COVID-19 Update June 23:

- Daily Cases: 591, up 1.52%.
- Positivity Rate: 32.06%, up 7.89%
- Hospitalizations: 355, up 0.28%
- Deaths: 8
- Source Puerto Rico Department of Health.

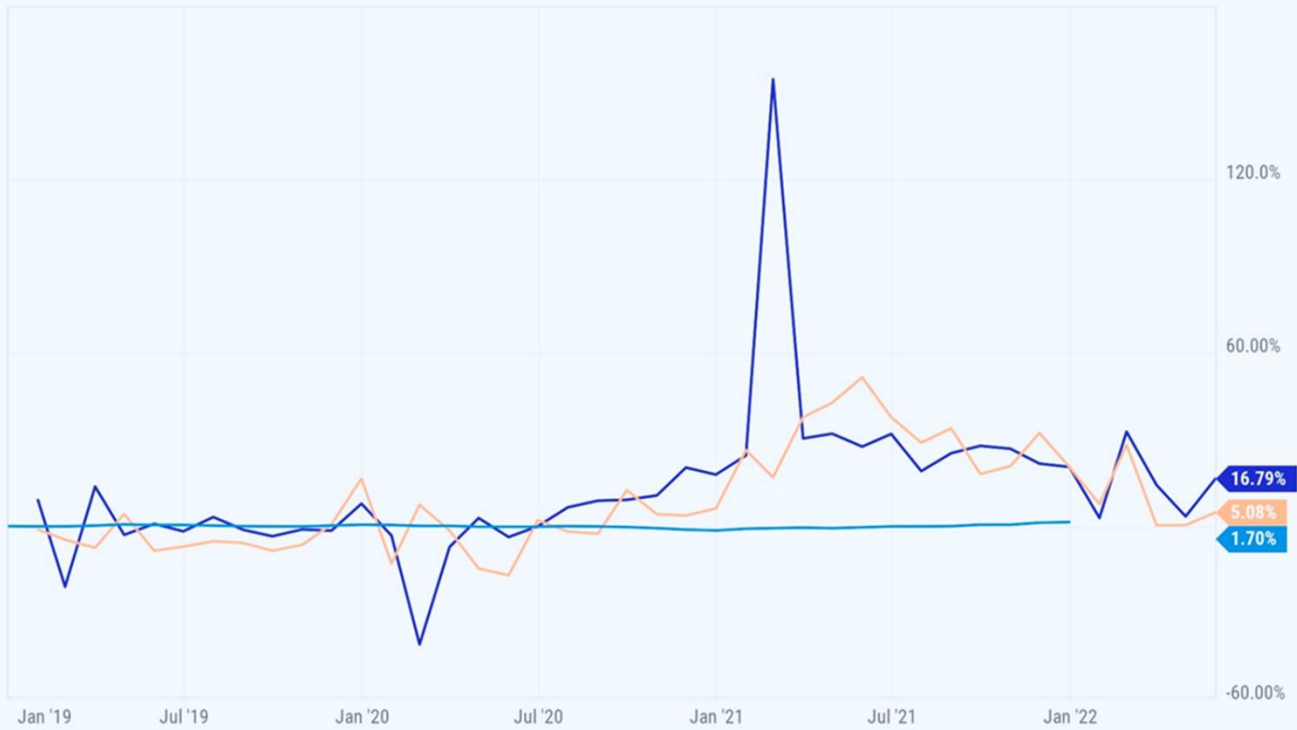
Eurozone Summary for June 23:

- Stoxx 600 closed at 402.80, down 2.97 points or 0.72%.
- FTSE 100 closed at 7,020.45, down 68.77 points or 0.97%.
- Dax Index closed at 12,912.59, down 231.69 points or 1.76%.

Wall Street Summary for June 23:

- Dow Jones Industrial Average closed at 30,677.36, up 194.23 points or 0.64%.
- S&P 500 closed at 3,795.73, up 35.84 points or 0.95%.
- Nasdaq Composite closed at 11,053.08, up 179.11 points or 1.62%.
- Birling Capital Puerto Rico Stock index closed at 2,631.98, up 6.94 points or 0.26%.
- The U.S. Treasury 10-year note closed at 3.09%.
- The U.S. Treasury 2-year note closed at 3.01%.

- China Exports YoY
- China Imports YoY
- Japan Consumer Price Index YoY





The federal Labor Department reported on June 23 that jobless claims fell to 229,000 last week versus 231,000 a 0.87% decrease.

- US Initial Claims for Unemployment Insurance
- US Unemployment Rate
- US Job Openings: Total Nonfarm
- US Unemployed Persons: Job Seeker





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Map of Kaliningrad, Lithuania & Poland

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Wall Street Recap June 23, 2022



• Dow Jones Industrial Average Level



• S&P 500 Level



• Nasdaq Composite Level



• Birling Capital Puerto Rico Stock Index Level





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