

# GLOBAL MARKET SQUARE



## The Approval of the Debt Ceiling sends Wall Street soaring, and U.S Nonfarm Payrolls rose 15.31%.

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The U.S. and European Stock markets rose sharply with the Dow rising 701.19 points, the Nasdaq at 139.78 points, and the S&P 500 with 61.35 points as investors embraced the Senate's approval of the U.S. debt-ceiling deal and a 15.31% rise in the jobs, the report is evidence of more robust than expected U.S. labor markets.

While the total nonfarm jobs added exceeded expectations, coming in at a robust 339,000 versus estimates of 195,000, the unemployment rate climbed from 3.4% to 3.7%. The principal cause of the rise in unemployment was a substantial reduction in Self-Employment that, totaled 369,000, and a 310,000 decrease of those counted as employed in total 679,000.

The Senate passed the bipartisan debt-ceiling agreement on Thursday with a 63 to 36 vote and is now on route to be signed by President Biden ahead of the June 5 "X-date". This Fiscal Responsibility Act suspends the debt limit until January 1, 2025, in return for capping most discretionary nondefense-spending categories in fiscal years 2024 and 2025. The Caps on discretionary spending represent just under 30% of overall government spending as it does not include more than 70% of mandatory spending with Social Security, Medicare, and interest on U.S. debt. Thus, cuts to spending fall towards a relatively small portion of the U.S. government's budget.

### GDPNow Update:

- The **GDPNow** for the second quarter of 2023 was updated on 6/1/23, increasing to **2.00% GDP** from 1.90%, a 5.00% increase.

### Key Economic Data:

- **U.S. Nonfarm Payrolls MoM:** rose to 339,000, up from 294,000 last month, increasing 15.31%.
- **U.S. Unemployment Rate:** rose to 3.70%, compared to 3.40% last month.
- **U.S. Labor Force Participation Rate:** unchanged at 62.60%, compared to 62.60% last month.
- **U.S. Average Hourly Earnings YoY:** fell to 4.30%, compared to 4.35% last month.

### Eurozone Summary:

- **Stoxx 600** closed at 462.22, up 6.95 points or 1.53%.
- **FTSE 100** closed at 7,607.28, up 117.01 points or 1.56%.
- **Dax Index** closed at 16,051.23, up 197.57 points or 1.25%.

## Wall Street Summary:

- **Dow Jones Industrial Average** closed at 33,762.76, up 701.19 or 2.12%.
- **S&P 500** closed at 4,282.37, up 61.35 points or 1.45%.
- **Nasdaq Composite** closed at 13,240.77, up 139.78 points or 1.07%.
- **Birling Capital Puerto Rico Stock Index** closed at 2,423.09, up 71.86 points or 3.06%.
- **Birling Capital U.S. Bank Stock Index** closed at 3,562.83, up 11.83 points or 0.33%.
- **U.S. Treasury 10-year note** closed at 3.69%.
- **U.S. Treasury 2-year note** closed at 4.50%.



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## GDPNow 6.1.23 Second Quarter GDP Forecast

Date	GDPNow 2Q23	Change
4/28/2023	1.70%	Initial Forecast
5/1/2023	1.80%	5.56%
5/4/2023	2.70%	33.33%
5/8/2023	2.70%	0.00%
5/16/2023	2.60%	-3.85%
5/17/2023	2.90%	10.34%
5/26/2023	1.90%	-52.63%
6/1/2023	2.00%	5.00%



# US Nonfarm Payrolls, US Unemployment Rate, US Labor Participation Rate & Hourly Earnings

- US Nonfarm Payrolls MoM
- US Unemployment Rate
- US Labor Force Participation Rate
- US Average Hourly Earnings YoY





# Wall Street Recap

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