GLOBAL MARKET SQUARE

BIRLING CAPITAL ADVISORS, LLC

The U.S. Treasury to issue $1 Trillion in treasury bills, the GDPNow for the 2Q23 rose to 2.20% GDP, and Wall Street closed mixed.

June 7, 2023

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The U.S. and European stock markets closed the session mostly down except for the Dow Jones, which closed with gains as investors focus on the next's week CPI on June 13 and the Fed's FOMC meeting on June 14.

Lastly, investors are also following how the U.S. treasury will re-construct its liquidity position upon the Debt Ceiling agreement. The U.S. Treasury will soon begin issuing treasury bills estimated to reach $1 Trillion over a few months.

As the U.S. Treasury rebuilds its liquidity, it may place banks and its deposit base; hence investors may favor the higher yields. Additionally, Banks must enhance their capital base and liquidity and will have strong incentives to sell non-core assets and monetize assets from mortgages to commercial real estate to Auto loan portfolios; the market will become quite complex.

GDPNow Update:

- The GDPNow for the second quarter of 2023 was updated on 6/7/23, increasing to 2.20% GDP from 2.00%, a 9.09% increase.

Key Economic Data:

- **U.S. Consumer Credit Outstanding MoM:** rose to $23.01 Billion, up from $22.84 Billion last month, increasing 0.76%.
- **U.S. Trade Balance on Goods:** fell to -$96.11B, down from -$81.58B last month.
- **Germany Industrial Production Index MoM:** rose to 0.30%, compared to -2.10% last month.
- **Japan Real GDP QoQ:** rose to 0.40%, compared to -0.00% last quarter.
- **Japan Business Conditions Composite Coincident Index:** rose to 99.40, up from 99.20 last month.
- **China Trade Balance:** fell to 65.81B, down from 90.21B last month, decreasing -27.05%.
- **China Exports YoY:** fell to -7.48%, compared to 8.47% last month.
- **China Imports YoY:** are at -4.53%, compared to -7.92% last month.

Eurozone Summary:

- **Stoxx 600** closed at 4601.80, down 0.88 points or 0.19%.
- **FTSE 100** closed at 7,624.34, down 3.76 points or 0.05%.
- **Dax Index** closed at 15,960.56, down 31.86 points or 0.20%.

Wall Street Summary:

- **Dow Jones Industrial Average** closed at 33,665.02, up 91.74 or 0.27%.
- **S&P 500** closed at 4,267.52, down 16.33 points or 0.38%.
- **Nasdaq Composite** closed at 13,104.90, down 171.52 points or 1.29%.
- **Birling Capital Puerto Rico Stock Index** closed at 2,581.89, up 112.66 points or 4.56%.
- **Birling Capital U.S. Bank Stock Index** closed at 3,697.69, up 65.49 points or 1.80%.
- **U.S. Treasury 10-year note** closed at 3.79%.
- **U.S. Treasury 2-year note** closed at 4.56%.

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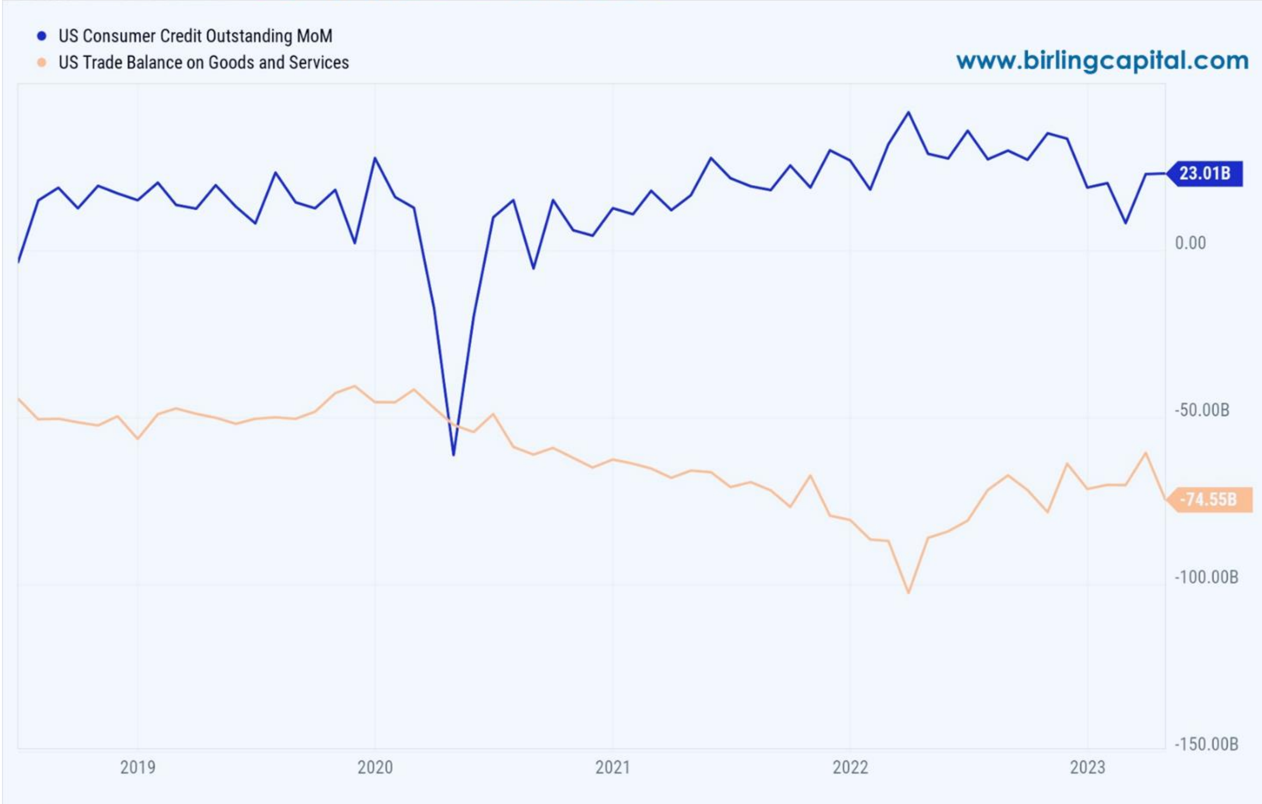
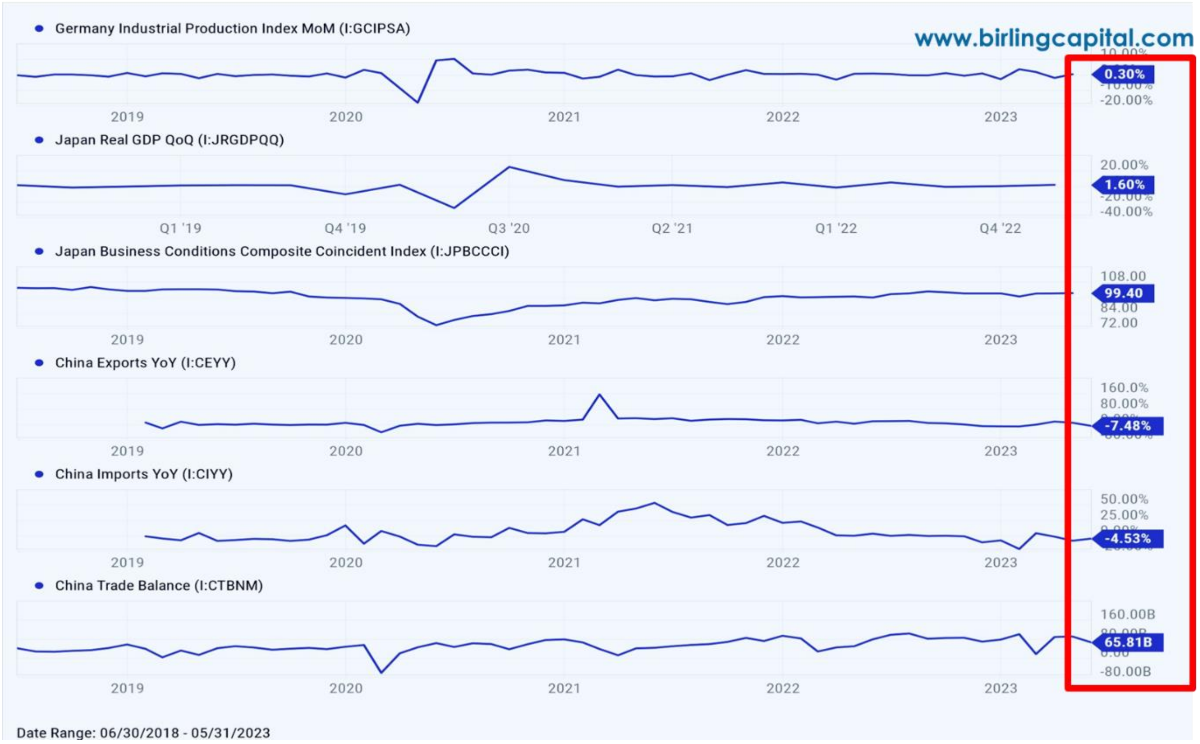
GDPNow 6.7.23
Second Quarter GDP Forecast

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%
6/7/2023	2.20%	9.09%

US Consumer Credit Outstanding & US Trade Balance



Germany Industrial Production, Japan GDP, Japan Business Conditions, China Exports, China Importa, and China Trade Balance



Wall Street Recap

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