

Markets Closed Higher Even as Consumer Confidence Hits 12-Year Low, Housing Surprises to the Upside, Trade Hopes Lift Europe.

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The U.S. and European stock markets closed with gains, as investors mostly shrugged off Tuesday's March consumer confidence report release, which showed a notable decline in Americans' short-term expectations for income, business activity, and employment prospects.

Consumer confidence took a big hit in March, with growing pessimism about the months ahead pushing sentiment to its weakest level in over a decade, according to new data from the Conference Board released Tuesday.

The overall confidence index dropped to 92.9, marking a decline of -7.2 points, recording the fourth straight monthly decline. Based on a Dow Jones survey, economists had expected a slightly higher reading of 93.5.

More concerning was the steep fall in the expectations index, which gauges consumers' outlook for the next six months. That measure plunged 9.6 points to 65.2—the lowest since 2013 and well below the key 80 threshold, often viewed as a warning signal for an approaching recession.

Bond yields slipped, with the 10-year U.S. Treasury yield down to 4.31%. European markets were also higher, driven by automotive stocks on reports that some U.S. tariffs may be postponed as trade talks progress. Meanwhile, the U.S. dollar weakened against major global currencies, and WTI crude oil rose on supply concerns following news of new 25% tariffs on countries importing oil from Venezuela.

U.S. Housing Market Surprise

U.S. home prices rose more than expected in January, with the Case-Shiller 20-City Index climbing 4.71% y-o-y, surpassing the 4.5% estimate. After months of slowing, price growth has increased, with New York, Chicago, and Boston leading gains. Nationally, prices increased by 4.1%, which is in line with the shelter component of the CPI. Limited housing inventory continues to drive prices up. While existing home sales reached a 4.3 million annual pace in February, they remain well below the 10-year average. Many homeowners stay put, locked into lower-rate mortgages, but potential Fed rate cuts could ease borrowing costs and help boost housing supply.

While fewer consumers plan to buy homes or cars, interest in big-ticket items like appliances and electronics ticked up. If inflation continues to ease and trade tensions stabilize, confidence could recover in the months ahead.

Economic Data Update:

- **U.S. New Single-Family Houses Sold:** rose to 676,000, up from 664,000 last month, increasing 1.81%.
- **Case-Shiller Composite 20 Home Price Index YoY:** rose to 4.71%, compared to 4.57% last month.

- **Case-Shiller Home Price Index:** National: rose to 329,440, up from 327,580 last month, increasing 0.57%.
- **Richmond Fed Manufacturing Index:** fell to -4.000, down from 6.000 last month.
- **Germany Ifo Business Climate Index:** rose to 86.70, up from 85.30 last month, increasing 1.64%.
- **Germany Ifo Business Expectations Index:** rose to 87.70, up from 85.60 last month, increasing 2.45%.
- **Germany Ifo Business Situation Index:** rose to 85.70, up from 85.00 last month, increasing 0.82%.

Eurozone Summary:

- **Stoxx 600:** Closed at 552.59, up 3.66 points or 0.67%.
- **FTSE 100:** Closed at 8,663.80, up 25.79 points or 0.30%.
- **DAX Index:** Closed at 23,109.79, up 257.13 points or 1.13%.

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 42,587.50, up 4.18 points or 0.01%.
- **S&P 500:** closed at 5,776.65, up 9.08 points or 0.16%.
- **Nasdaq Composite:** closed at 18,271.86, up 83.26 points or 0.46%.
- **Birling Capital Puerto Rico Stock Index:** closed at 3,716.63, up 48.58 points or 1.32%.
- **Birling Capital US Bank Index:** closed at 6,437.07, up 161.22 points or 2.57%.
- **US Treasury 10-year note:** closed at 4.31%.
- **US Treasury 2-year note:** closed at 3.96%.



US New Single-Family House Sold, Case-Shiller Composite 20 Home Price Index, Case-Shiller Home Price Index & Richmond Fed Manufacturing Index

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Germany Ifo Business Climate Index, Germany Ifo Business Expectations Index & Germany Ifo Business Situation Index





Wall Street Recap

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