

The Consumer Price Index fell to 6.04%, in line with expectations; Moody's sees elevated risks for U.S. Bank and Wall Street closed higher.

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The U.S. and European stock markets were able to recover from yesterday's sell-off stemming from the Silicon Valley Bank failure after the Consumer Price Index report showed the February CPI fell to 6.04% from 6.41%, evidencing that inflation is on a downward path, but not relatively as rapid as the Fed would have liked.

The market fears surrounding the bank failures have improved somewhat; however, today, Moody's Investors Service produced a report titled "Rapid monetary tightening, weak risk management amplify banks' underlying asset-liability risk".

Moody's states that even with the Fed, FDIC, and Treasury action to address deposit runs, they believe that significantly higher interest rates will continue to weigh on several U.S. banks' profitability and economic capital. Moody's also believes that some U.S. banks remain exposed to rising Asset Liability Management Risks, falling profitability, and rising credit risks in this period of continued monetary tightening.

Key Economic Data:

- **U.S. Consumer Price Index YoY:** fell to 6.04%, compared to 6.41% last month.
- **U.S. Core Consumer Price Index YoY:** fell to 5.53%, compared to 5.55% last month.
- **U.S. Inflation Rate:** fell to 6.04%, compared to 6.41% last month.
- **Canada Manufacturing Shipments:** rose to 73.93 billion, up from 71.02 billion last month, rising 4.10%.
- **UK ILO Unemployment Rate:** is unchanged at 3.80%, compared to 3.80% last month.

Puerto Rico COVID-19 Update March 14:

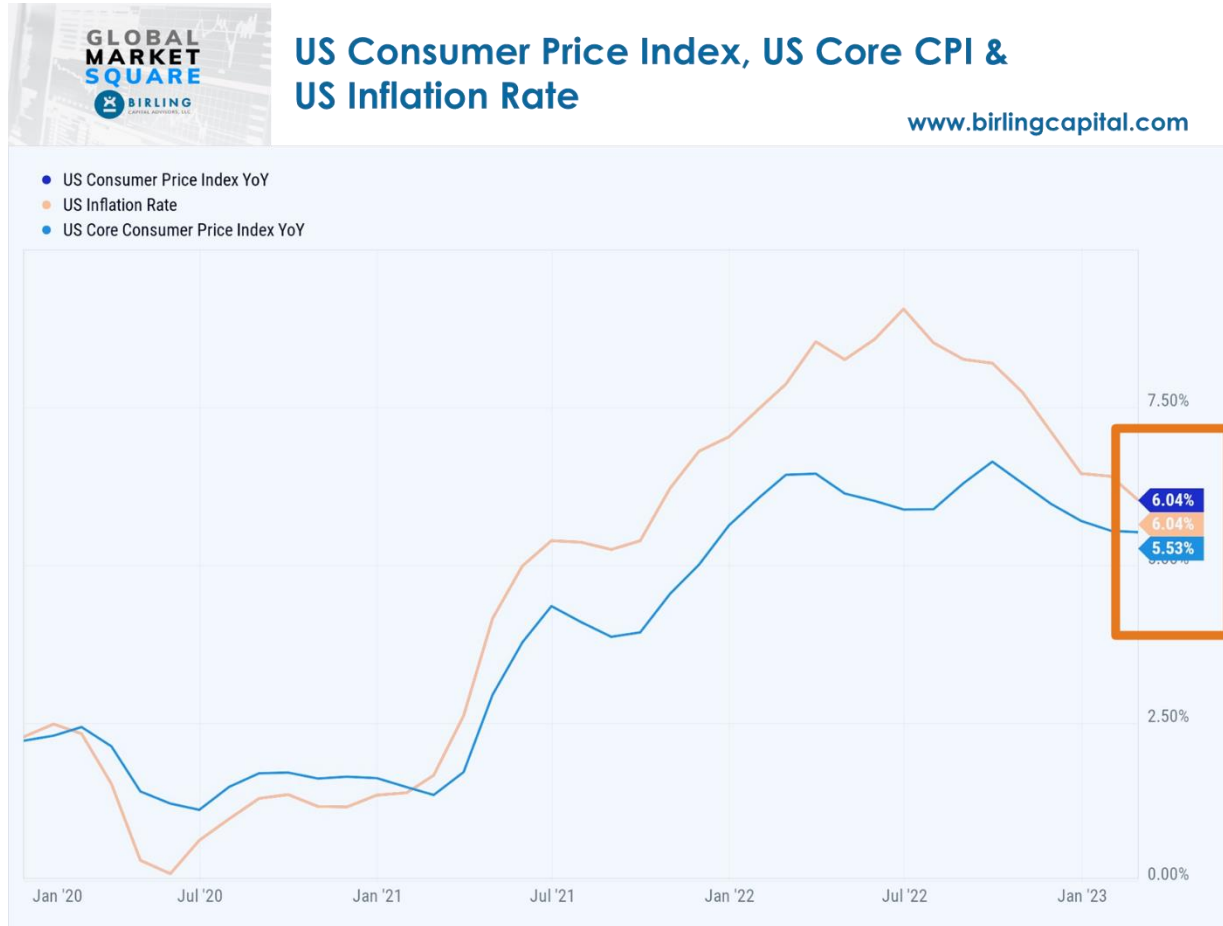
- Daily Cases: 59
- Positivity Rate: 9.91%
- Hospitalizations: 104
- Deaths: 6
- Source P R. Department of Health.

Eurozone Summary for March 14:

- Stoxx 600 closed at 449.23, up 6.43 points or 1.45%.
- FTSE 100 closed at 7,637.11, up 88.48 points or 1.17%.
- Dax Index closed at 15,232.83, up 273.39 points or 1.83%.

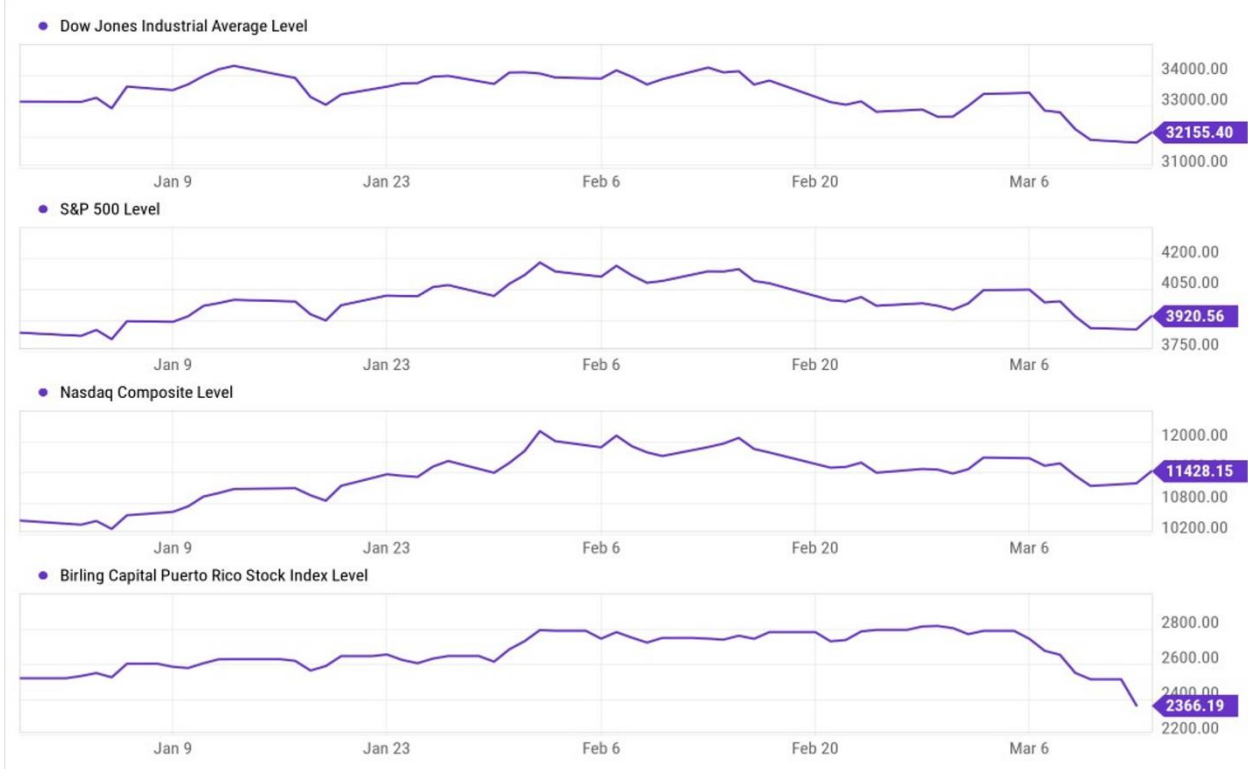
Wall Street Summary for March 14:

- Dow Jones Industrial Average closed at 32,155.40, up 336.26 or 1.06%.
- S&P 500 closed at 3,920.56, up 64.80 or 1.68%.
- Nasdaq Composite closed at 11,428.15, up 239.31 or 2.14%.
- Birling Capital Puerto Rico Stock index closed at 2,366.19, down 148.64 points or 5.91%.
- U.S. Treasury 10-year note closed at 3.64%.
- U.S. Treasury 2-year note closed at 4.20%.





Wall Street Recap March 14, 2023



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