

GLOBAL MARKET SQUARE



11 Banks deposit \$30 Billion in First Republic Bank, Credit Swiss borrows \$54 billion, and Merger between UBS and Credit Swiss may be in the works, taking Wall Street higher.

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The U.S. and European stock markets regained some needed lift as developments in the global financial markets have moved up on both sides of the Atlantic; on the one hand, in the U.S., a group of 11 Banks announced it was depositing **\$30 billion** into First Republic Bank in an industry-backed strong show of support. The group of Banks includes, JPMorgan Chase, Bank of America, Citigroup, and Wells Fargo each depositing \$5bn, Goldman Sachs and Morgan Stanley \$2.5bn each, and BNY Mellon, PNC Bank, State Street, Truist and US Bank each depositing \$1 billion.

First Republic Bank is based in California and services the San Francisco, New York City, and Los Angeles markets offering private banking and wealth management services to high-net-worth clients. First Republic Bank (FRC) stock fell from \$115.00 on March 8, 2023, to as low as \$19.12 by March 13, 2023, following the Silicon Valley Bank closure; upon the news, the stock closed at \$34.49, up \$3.33 or 10.69%.

Meanwhile, European Central Bank increased rates by 50 basis points in Europe, taking them to 3% and signaling that market developments will guide their subsequent rate actions. Additionally, Swiss banking giant Credit Swiss (CS) sought a \$54 billion loan from the Swiss National Bank to avert a liquidity crisis, while the stock moved little as there is news of a forced shotgun wedding with long-term rival UBS. However, UBS, which went thru its issues and decided to focus on its wealth management client-centric strategy, is said to oppose the combination; likewise, Credit Swiss is opposed as it feels it needs some time to restructure the bank and with the \$54 billion loan it may achieve that, personally is our view that the merger is the only solution to fix Credit Swiss problems.

Key Economic Data:

- **US Initial Claims for Unemployment Insurance:** fell to 192,000, down from 212,000 last week, decreasing -9.43%.
- **US Housing Starts:** rose to 1.45 million, up from 1.321 million last month, an increase of 9.77%.
- **US Building Permits:** rose to 1.524 million, up from 1.339 million last month, increasing 13.82%.
- **US Export Prices YoY:** fell to -0.85%, compared to 2.16% last month.
- **US Import Prices YoY:** fell to -1.05%, compared to 0.86% last month.
- **30-Year Mortgage Rate:** fell to 6.60%, compared to 6.73% last week.
- **NY Fed Business Leaders Survey Current Business Activity:** is at -10.10, up from -12.80 last month.
- **Canada Wholesale Sales MoM:** fell to -0.76%, compared to -0.73% last month.
- **ECB Deposit Facility Interest Rate:** rose to 3.00%, compared to 2.50% yesterday.

Puerto Rico COVID-19 Update March 16:

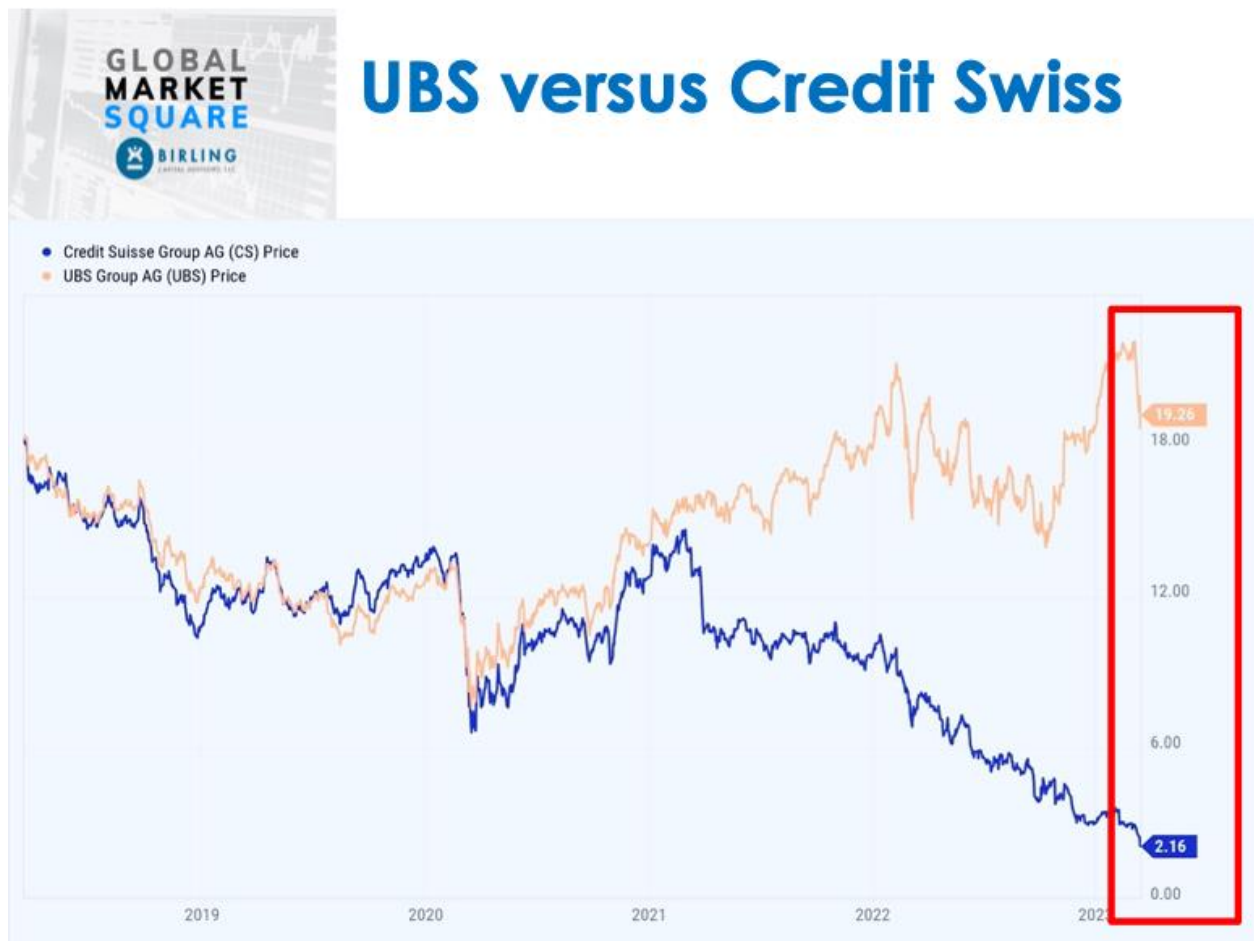
- Daily Cases: 55
- Positivity Rate: 10.59%
- Hospitalizations: 106
- Deaths: 2
- Source P R. Department of Health.

Eurozone Summary for March 16:

- Stoxx 600 closed at 441.97, up 5.52 points or 1.26%.
- FTSE 100 closed at 7,410.03, up 65.58 points or 0.89%.
- Dax Index closed at 14,967.10, up 231.84 points or 1.57%.

Wall Street Summary for March 16:

- Dow Jones Industrial Average closed at 31,874.57, up 371.98 or 1.17%.
- S&P 500 closed at 3,960.28, up 68.35 points or 1.14%.
- Nasdaq Composite closed at 11,717.28, up 283.22 points or 2.48%.
- Birling Capital Puerto Rico Stock index closed at 2,325.72, down 50.15 points or 2.11%.
- U.S. Treasury 10-year note closed at 3.56%.
- U.S. Treasury 2-year note closed at 4.14%.



US Claims for Unemployment fell to 192,000 down -9.43%

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



US Housing Starts, US Building Permits, 30-Year Mortgage Rate & NY FED Business Leaders Survey





Wall Street Recap

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