

The Fed raises rates for the ninth time by 25 basis points, signals FOMC considered pausing, and Wall Street tanks.

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The U.S. and European stock markets closed the session with mixed results as the impact in the U.S. of the Fed's latest interest rate increase proved too much for the market to digest even though it was expected and took Wall Street for a steep ride downwards.

The Fed's FOMC increased interest rates for the ninth time by 25 basis points; the fed funds rate is now in a range of 4.75% - 5.0%. The FOMC was dealing with two diverse issues; on one end, there was the still out-of-control inflation, and on the other end, not being too aggressive in the face of the current banking crisis of confidence. In dealing with the banking crisis of confidence, we note that the Fed continues to use its ample liquidity power to push away any issues to support the banking sector.

The banking sector's current woes will develop into stricter regulations, with credit conditions becoming more scrutinized, with the result being businesses unable to secure loans and the economy may suffer a steeper slowdown.

However, it is critical to comment that the FOMC members considered pausing the latest rate increase, which signals the end of the rate increases may be imminent.

Lastly, the current crisis of confidence in the banking sector is creating uncertainty that no one expected and has taken the market volatility to new heights when we least needed it.

While it takes time for a crisis of confidence to diminish, we believe there will not be contagion or systemic risk in the banking system.

Federal Reserve Bank:

	Date	Rate Increases
•	Mar. 16, 22	25 Basis Points
•	Feb. 01, 23	25 Basis Points
•	Dic. 14, 22	50 Basis Points
•	Nov. 02, 22	75 Basis Points
•	Sep. 21, 22	75 Basis Points
•	Jul. 27, 22	75 Basis Points
•	Jun. 15, 22	75 Basis Points
•	May 04, 22	50 Basis Points
•	Mar. 16, 22	25 Basis Points
	Total	425 Basis Points

Key Economic Data:

- Target Federal Funds Rate Upper Limit: rose to 5.00%, compared to 4.75% yesterday.
- U.K. Consumer Price Index YoY: rose to 10.40%, compared to 10.10% last month.
- U.K. Core Consumer Price Index YoY: rose to 6.16%, compared to 5.77% last month.
- U.K. Producer Price Index: Input YoY: fell to 12.71%, compared to 14.71% last month.
- **U.K. Producer Price Index: Output YoY:** fell to 12.14%, compared to 13.50% last month.

Puerto Rico COVID-19 Update March 22:

Daily Cases: 55

Positivity Rate: 11.43%Hospitalizations: 79

• Deaths: 6

Source P R. Department of Health.

Eurozone Summary for March 22:

- Stoxx 600 closed at 447.16, up 0.69 points or 0.15%.
- FTSE 100 closed at 7,566.84, up 30.62 points or 0.41%.
- Dax Index closed at 15,216.19, up 20.85 points or 0.14%.

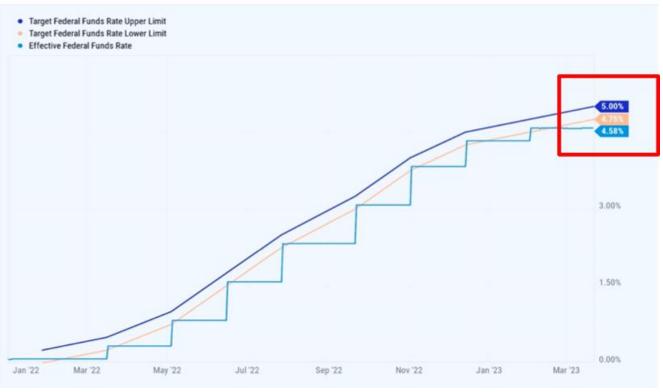
Wall Street Summary for March 22:

- Dow Jones Industrial Average closed at 32,030.11, down 530.48 or 1.63%.
- S&P 500 closed at 3,936.97, down 65.90 points or 1.65%.
- Nasdag Composite closed at 11,669.96, down 190.16 points or 1.60%.
- Birling Capital Puerto Rico Stock index closed at 2,393.45, up 76.80 points or 3.32%.
- U.S. Treasury 10-year note closed at 3.48%.
- U.S. Treasury 2-year note closed at 3.96%.

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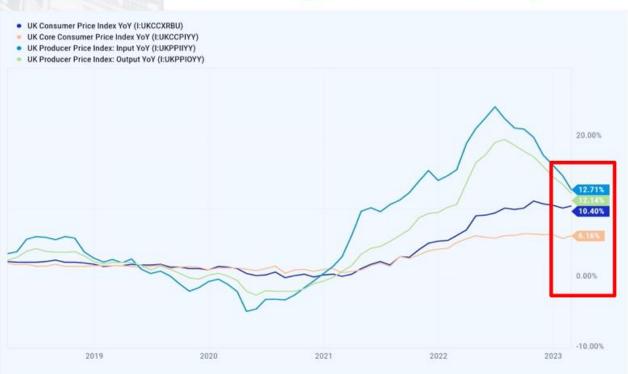


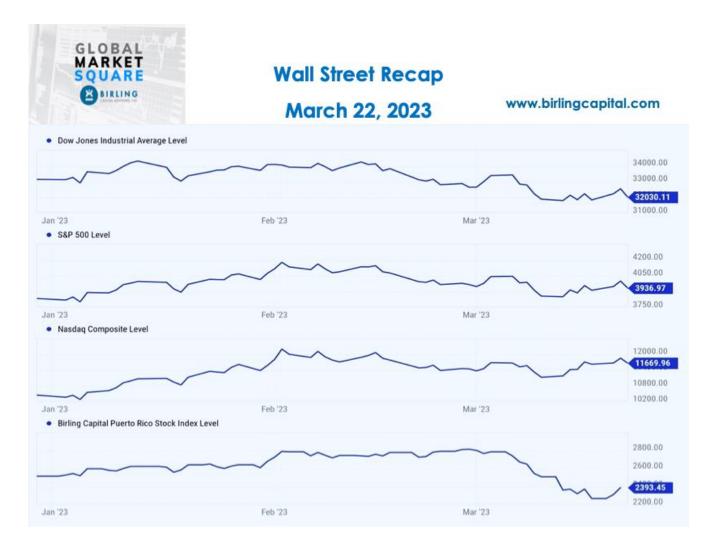
Interest Rate Increases





UK CPI, UK Core CPI, UK PPI Input, UK PPI Output





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