

GLOBAL MARKET SQUARE



Big earnings miss and lowered guidance from Target, a retail sector stalwart takes market down, Birling increases its recession prediction to 33%, Wall Street record worst day since pandemic.

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The U.S. and European stock markets had their worst trading day since the pandemic hit, with the Dow Jones falling a whopping 1,165 points in the session, as the retail sector increased the fears of a recession, stating their sales have been falling with rising costs and continued global supply chain issues impacting their bottom line and disappointing estimates.

One of Wall Street retail darlings, Target (TGT), saw its stock fall \$53.61 to close at \$161.64, a 25% drop following an earnings report that missed earnings expectations. The retail sector as a whole tanked.

In our analysis of the recession. Probability has increased to 33%, and it will take an excellent balancing act from the FED to avoid it or accomplish a so-called "Soft Landing".

Key economic data:

- US Housing Starts: fell to 1.724M, down from 1.728M last month and down -0.23%.
- US Building Permits: fell to 1.819M, down from 1.879M last month and down -3.19%.
- Canada Consumer Price Index YoY: fell to 6.77%, compared to 6.66% last month.
- Canada Inflation Rate is at 6.77%, compared to 6.66% last month.
- Eurozone Consumer Price Index YoY is at 7.44%, compared to 7.44% last month.
- UK Consumer Price Index YoY is at 9.00%, compared to 7.00% last month.

Puerto Rico COVID-19 Update May 18:

- Daily Cases: 1,053, Up 15.96%.
- Positivity Rate: 27.10, down 0.91%.
- Hospitalizations: 387, up 5.29%.
- Deaths: 11, up 18.18%.
- Vaccination Rate: 87.3%.
- Source Puerto Rico Department of Health.

Eurozone Summary for May 18:

- Stoxx 600 closed at 433.95, down 5.02 points or 1.14%.
- FTSE 100 closed at 7,438.09, down 80.26 points or 1.07%.
- Dax Index closed at 14,007.76, down 178.18 points or 1.59%.

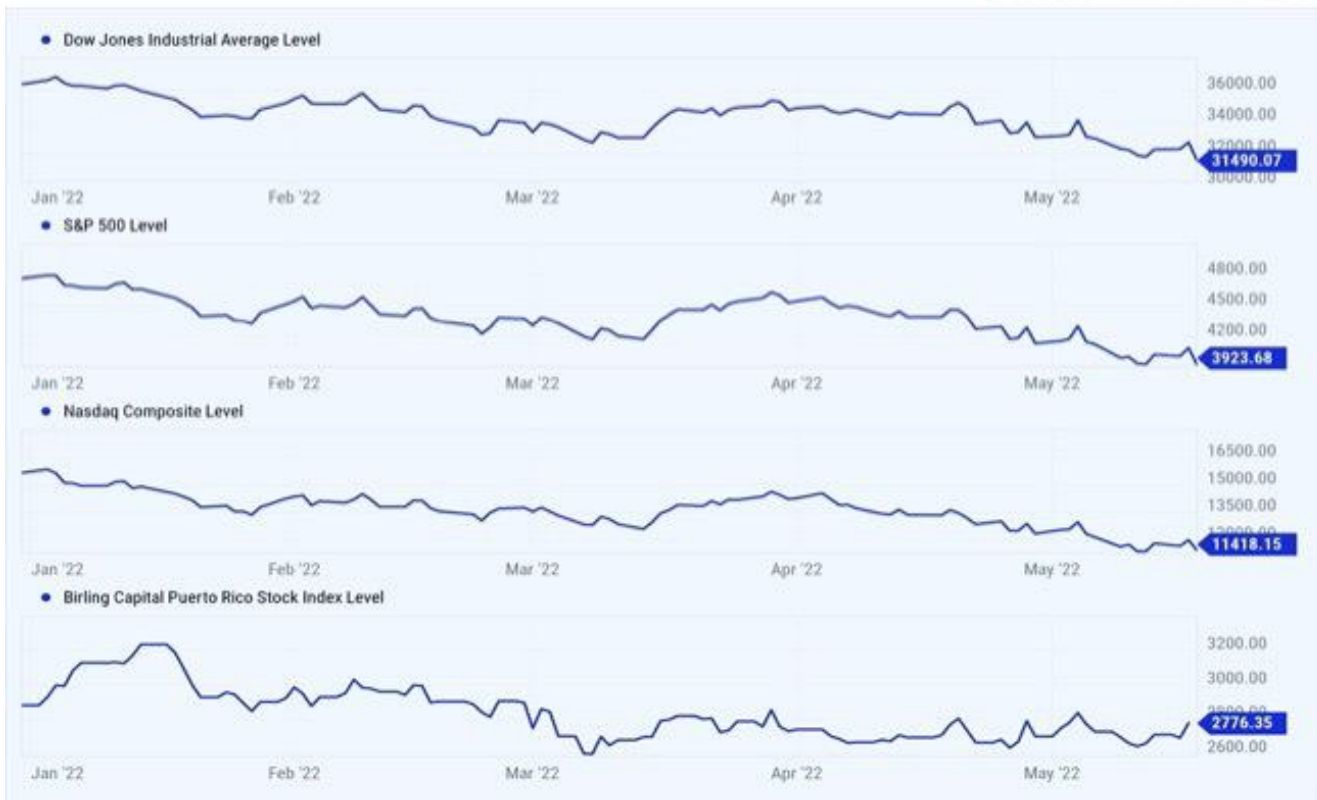
Wall Street Summary for May 18:

- Dow Jones Industrial Average closed at 31,490.07, down 1,165 points or 3.57%.
- S&P 500 closed at 3,923.68, down 165.17 points or 4.04%.
- Nasdaq Composite closed at 11,418.15, down 566.37 points or 4.75%.
- Birling Capital Puerto Rico Stock index closed at 2,776.35, Up 87.38 points or 3.25%.
- The U.S. Treasury 10-year note closed at 2.88%.
- The U.S. Treasury 2-year note closed at 2.68%.



Dow Jones, S&P 500, Nasdaq & Birling Puerto Rico Stock Index, YTD Returns





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