

GLOBAL MARKET SQUARE



JP Morgan Chase raised its net interest income by more than \$6 billion, providing a solid lift to banks' stocks and taking Wall Street higher.

May 23, 2022

by Francisco Rodríguez-Castro
frc@birlingcapital.com

The U.S. & European stock markets began the week sharply higher, collapsing the seven-week-old losing streak. Investors were motivated as the U.S. largest bank JP Morgan Chase (JPM), informed before its investor day presentation that it was increasing its 2022 outlook for net interest income to surpass more than \$56 billion from projections at the start of 2022 of \$50 billion, an increase of 12%. The Bank also affirmed its 2022 return on tangible capital equity objective of 17%.

The news sends most Bank soaring, with JP Morgan Chase rising more than 6.88%, Citigroup (C) with 6.85%, and Well Fargo with 5.59%.

We have been watching the sell-off lately as interest rate concerns have riddled Wall Street; however, banks will benefit significantly as interest rates rise with increasing interest income and improved interest rate margins.

Key economic data:

- U.S. Retail Gas Price: rose to \$4.591, up from \$4.428 last week, rising 3.68% and up 50.48% from one year ago.
- German Ifo Business Climate Index: rose to 93.00, up from 91.90 last month, improving 1.20%.
- German Ifo Business Expectations Index: rose to 86.90, up from 86.80 last month.
- German Ifo Business Situation Index: rose to 99.50, up from 97.30 last month, improving 2.26%.
- China Exports YoY: fell to 3.68%, compared to 14.49% last month, decreasing 74.60%.
- China Imports YoY: rose to 0.65%, compared to 0.60% last month.
- China Trade Balance: rose to 51.12 billion, up from 47.38 billion the previous month, increasing 7.89%.

Puerto Rico COVID-19 Update May 23:

- Daily Cases: 1,053, down 1.58%.
- Positivity Rate: 29.49, down 1.10%.
- Hospitalizations: 359, remains the same
- Deaths: 0
- Vaccination Rate: 87.4%
- Source Puerto Rico Department of Health.

Eurozone Summary for May 23:

- Stoxx 600 closed at 435.63, up 4.53 points or 1.05%.
- FTSE 100 closed at 7,513.44, up 123.46 points or 1.67%.
- Dax Index closed at 14,175.40, up 193.49 points or 1.38%.

Wall Street Summary for May 23:

- Dow Jones Industrial Average closed at 31,880.24, up 618.34 points or 1.98%.
- S&P 500 closed at 3,973.75, up 72.39 points or 1.86%.
- Nasdaq Composite closed at 11,535.28, up 180.66 points or 1.59%.
- Birling Capital Puerto Rico Stock index closed at 2,676.87, up 17.29 points or 0.65%.
- The U.S. Treasury 10-year note closed at 2.86%.
- The U.S. Treasury 2-year note closed at 2.65%.



www.birlingcapital.com

US Gas Price, Germany Ifo Business Climate, Situation, Expectations Index, China Exports, Imports & Trade Balance



Top Tech Stocks 2022 YTD Returns

- Twitter Inc Price % Change
- Apple Inc Price % Change
- Microsoft Corp Price % Change
- Alphabet Inc Price % Change
- Amazon.com Inc Price % Change
- Tesla Inc Price % Change
- Meta Platforms Inc Price % Change
- Netflix Inc Price % Change



Banks Stocks On the Rise Comparison May 20 vs May 23

- Citigroup Inc Price % Change
- JPMorgan Chase & Co Price % Change
- Wells Fargo & Co Price % Change
- Bank of America Corp Price % Change
- Goldman Sachs Group Inc Price % Change
- Popular Inc Price % Change
- Morgan Stanley Price % Change
- OFG Bancorp Price % Change
- First BanCorp Price % Change





Global Market Square © es una publicación preparada por Birling Capital LLC y resume los recientes desarrollos geopolíticos, económicos, de mercado y otros que pueden ser de interés para los clientes de Birling Capital LLC. Este informe está destinado únicamente a fines de información general, no es un resumen completo de los asuntos a los que se hace referencia y no representa asesoramiento de inversión, legal, regulatorio o fiscal. Se advierte a los destinatarios de este informe que busquen un abogado profesional adecuado con respecto a cualquiera de los asuntos discutidos en este informe teniendo en cuenta la situación de los destinatarios. Birling Capital no se compromete a mantener a los destinatarios de este informe informados sobre la evolución futura o los cambios en cualquiera de los asuntos discutidos en este informe. Birling Capital. El símbolo de registro y Birling Capital se encuentran entre las marcas registradas de Birling Capital. Todos los derechos reservados.