

GLOBAL MARKET SQUARE



As the FOMC begins its two-day meeting, investors expect the first 50 basis points increase in 22 years, and Wall Street closed higher.

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The U.S. & European stock markets regained some footing and closed higher today; while it may be too soon to call a rally, we have our hopes up.

The investor's focus is on the Federal Reserve Bank FOMC two-day meeting that began today, and the expectation is how high the interest rise will be.

It would not be a surprise to see a Fed raising rates by 0.5% basis points, making it the first time in 22 years that such an increase occurred.

In Europe, the situation with the European Central Bank is similar to the Fed as the consensus is sharp rate increases. The only thing that may prevent sharp rate increases both at home and in Europe is the broader sentiment that the global economic growth has been compromised and the economy is in delicate shape.

The mix of high inflation, high gas prices, war, and a vulnerable economy is probably one of the worst combinations of risks we have seen in a while. With inflation remaining uncomfortably high, the market will be looking for cues around the possibility of further outsized rate hikes ahead.

Key economic data:

- U.S. Durable Goods New Orders MoM: rose to 1.09%, compared to -1.69% last month.
- U.S. Nondefense Capital Goods Excluding Aircraft New Orders MoM is at 1.26%, compared to -0.24% last month.
- Eurozone Unemployment Rate: fell to 6.80%, compared to 6.90% last month.
- Germany's Unemployment Rate: fell to 5.10%, compared to 5.30% last month.

Puerto Rico COVID-19 Update:

- Daily Cases: 1,088, up 2.75%.
- Positivity Rate: 22.49%, down 0.83%.
- Hospitalizations: 259, up 5.40%.
- Deaths: 5
- Vaccination Rate: 87.1%
- Source Puerto Rico Department of Health

Eurozone Summary for May 3:

- Stoxx 600 closed at 445.80, up 1.97 points or 0.44%.
- FTSE 100 closed at 7,561.33, up 16.78 points or 0.22%.
- Dax Index closed at 14,039.47, up 100.40 points or 0.72%.

Wall Street Summary for May 3:

- Dow Jones Industrial Average closed at 33,128.79, up 67.29 points or 0.26%.
- S&P 500 closed at 4,175.48, up 20.10 points or 0.48%.
- Nasdaq Composite closed at 12,563.76, up 27.74 points or 0.22%.
- Birling Capital Puerto Rico Stock index closed at 2,745.91, up 47.66 points or 1.77%.
- The U.S. Treasury 10-year note closed at 2.97%.
- The U.S. Treasury 2-year note closed at 2.78%.

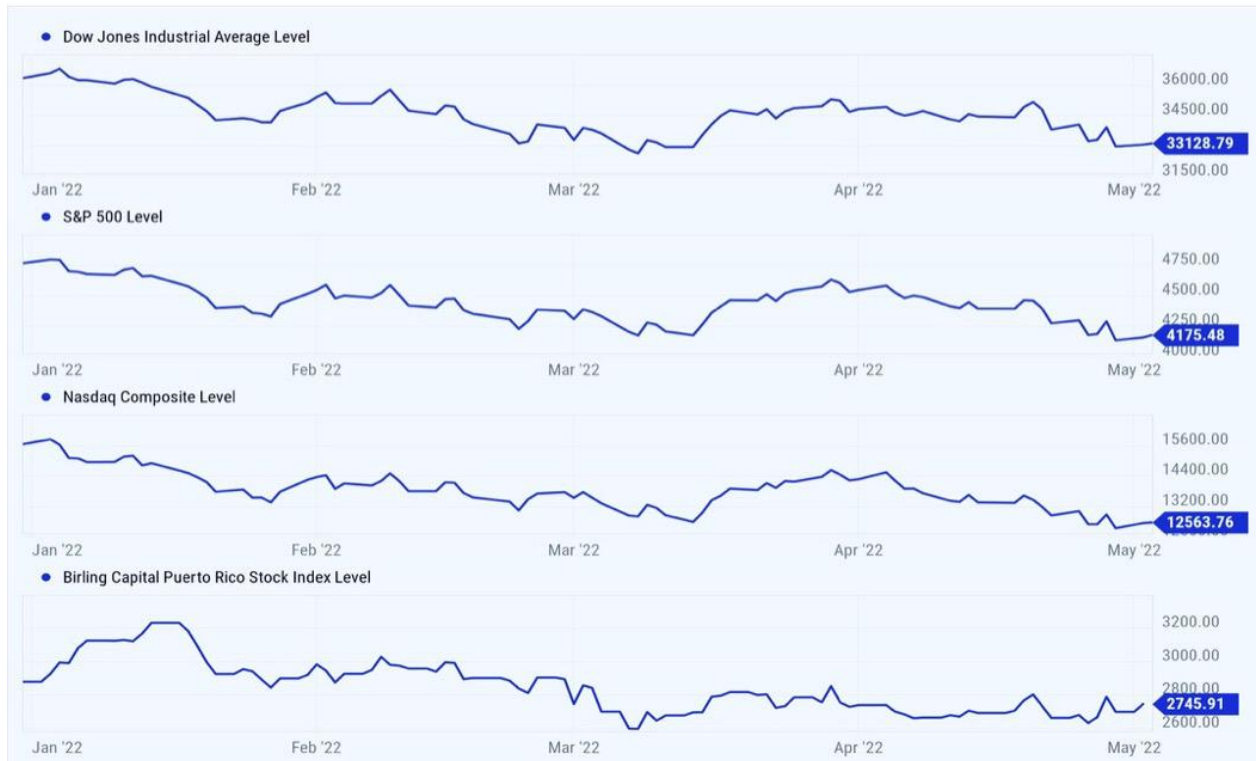


Dow Jones, S&P 500, Nasdaq Composite & Birling Capital Puerto Rico Stock Index



YTD Returns





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