

GLOBAL MARKET SQUARE



The Federal Reserve Bank raises interest rates by 50 basis points and rules out any 75 basis points increases, and Wall Street rallies on the news.

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The U.S. & European Stock closed today with asymmetrical results. In the U.S., the much anticipated FOMC two-day meeting concluded with the Fed increasing rates by 50 basis points in line with the consensus estimates and the first of 50 basis points since the year 2,000.

The market reacted positively; however, what fueled the most significant rise was the statement from Federal Reserve Bank Chairman Powell, who stated that the bank had ruled out a more aggressive inflation-fighting response.

Chairman Powell also discussed a plan to decrease its bond holding portfolio by \$95 billion per month, and he said that a 75 basis points increase was not in the Fed's plans.

The Dow Jones rose 932.27, the Nasdaq Composite 401.10, and the S&P 500 124.69.

Key economic data:

- U.S. ISM Services PMI is at a current level of 57.10, down from 58.30 last month.
- U.S. Trade Balance on Goods is at a current level of -128.14 billion, down from -107.78 billion last month.
- ADP Nonfarm Payrolls MoM: fell to 247,201, down from 478,660 last month, a decrease of -48.35%.
- Eurozone Retail Trade YoY is at 0.80%, compared to 5.20% last month.
- Germany Trade Balance: fell 3.20 billion, down from 11.10 billion last month, a decrease of -71.17.
- Germany Exports MoM: Fell to -3.30%, compared to 6.20% last month.

Puerto Rico COVID-19 Update:

- Daily Cases: 989, down 9.09%.
- Positivity Rate: 24.66%, down 8.79%.
- Hospitalizations: 281, up 7.82%.
- Deaths: 2, down 60%.
- Vaccination Rate: 87.1%
- Source Puerto Rico Department of Health

Eurozone Summary for May 4:

- Stoxx 600 closed at 441.56, down 4.64 points or 1.04%.
- FTSE 100 closed at 7,493.45, down 67.88 points or 0.90%.
- Dax Index closed at 13,970.82, down 68.65 points or 0.49%.

Wall Street Summary for May 4:

- Dow Jones Industrial Average closed at 34,061.06, up 932.27 points or 2.81%.
- S&P 500 closed at 4,300.17, up 124.69 points or 2.99%.
- Nasdaq Composite closed at 12,964.86, up 401.10 points or 3.19%.
- Birling Capital Puerto Rico Stock index closed at 2,778.62, up 32.71 points or 1.04%.
- The U.S. Treasury 10-year note closed at 2.93%.
- The U.S. Treasury 2-year note closed at 2.66%.



U.S. ISM Services PMI, Trade Balance on Goods, ADP Nonfarm Payrolls MoM, Eurozone Retail Trade YoY, Germany Trade Balance & Germany Exports MoM



YTD Returns





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