

# GLOBAL MARKET SQUARE



## Apple, Baxter, and Marriott beat expectations, durable goods orders rose 4.65%, and Wall Street soared.

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The U.S. and European stock markets closed higher, fueled by the Fed's interest rate increase pause, better-than-expected corporate earnings results, a rise in durable goods orders, and the continued resiliency of the labor markets.

Today, the corporate earnings parade continues with Apple, Baxter, and Marriott providing us an ample view of three vital sectors of the market, and we discuss their third-quarter earnings below.

So far, this Earnings season has exceeded expectations, with S&P 500 companies' third-quarter earnings on route to record the first quarter of Y-o-Y growth since the third quarter of 2022.

In economic news, the U.S. initial jobless claims rose to 217,000, above consensus estimates of 210,000 or 3.33% more, but are still historically low, evidencing resilience of the labor market; we look forward to tomorrow's nonfarm payroll jobs growth report to obtain a better sense of the labor markets.

Lastly, the Fed, in its statement yesterday, stated that the U.S. banking system is sound and resilient, and we shared the Top 10 U.S. and Puerto Rico Banks ranked by Tier 1 Capital to highlight its strength. It also stated it remains firm to achieve maximum employment and its inflation target of 2%.

### Below the Top 10 U.S. & Puerto Rico Banks Tier 1 Capital Ratios:

- Popular, Inc. 16.88%
- FirstBank Corp. 16.35%
- Morgan Stanley 15.50%
- Goldman Sachs 14.80%
- JP Morgan Chase 14.50%
- OFG Bancorp. 14.03%
- Citigroup 13.50%
- Bank of America 13.50%
- U.S. Bancorp. 11.20%
- Wells Fargo 11.00%

### Corporate Earnings Parade:

- **Apple, Inc. (AAPL):** reported 3Q23 revenues of \$89.513 billion, down 1.0%, Net Income of \$22.296 billion, up 10.78%, and Earnings per share of \$1.46, beating estimates. The stock has a price objective of \$196.72.

- **Baxter International, Inc. (BAX):** reported 3Q23 revenues of \$3.708 billion, up 3.0%, Net Income of \$2.511 billion, and Earnings per share of \$0.68, beating estimates. The stock has a price objective of \$47.79.
- **Marriott International, Inc. (MAR):** reported 3Q23 revenues of \$5.928 billion, up 11.57%, Net Income of \$752 million, up 19.0%, and Earnings per share of \$2.51, beating estimates. The stock has a price objective of \$209.71.

### Key Economic Data:

- **U.S. Durable Goods New Orders MoM:** rose to 4.65%, compared to -0.09% last month.
- **U.S. Initial Claims for Unemployment Insurance:** rose to 217,000, up from 212,000 last week, up 2.36%.
- **30-Year Mortgage Rate:** fell to 7.76%, compared to 7.79% last week.
- **Germany Unemployment Rate:** is unchanged at 5.70%.
- **Bank of England Bank Rate:** is unchanged at 5.25%.

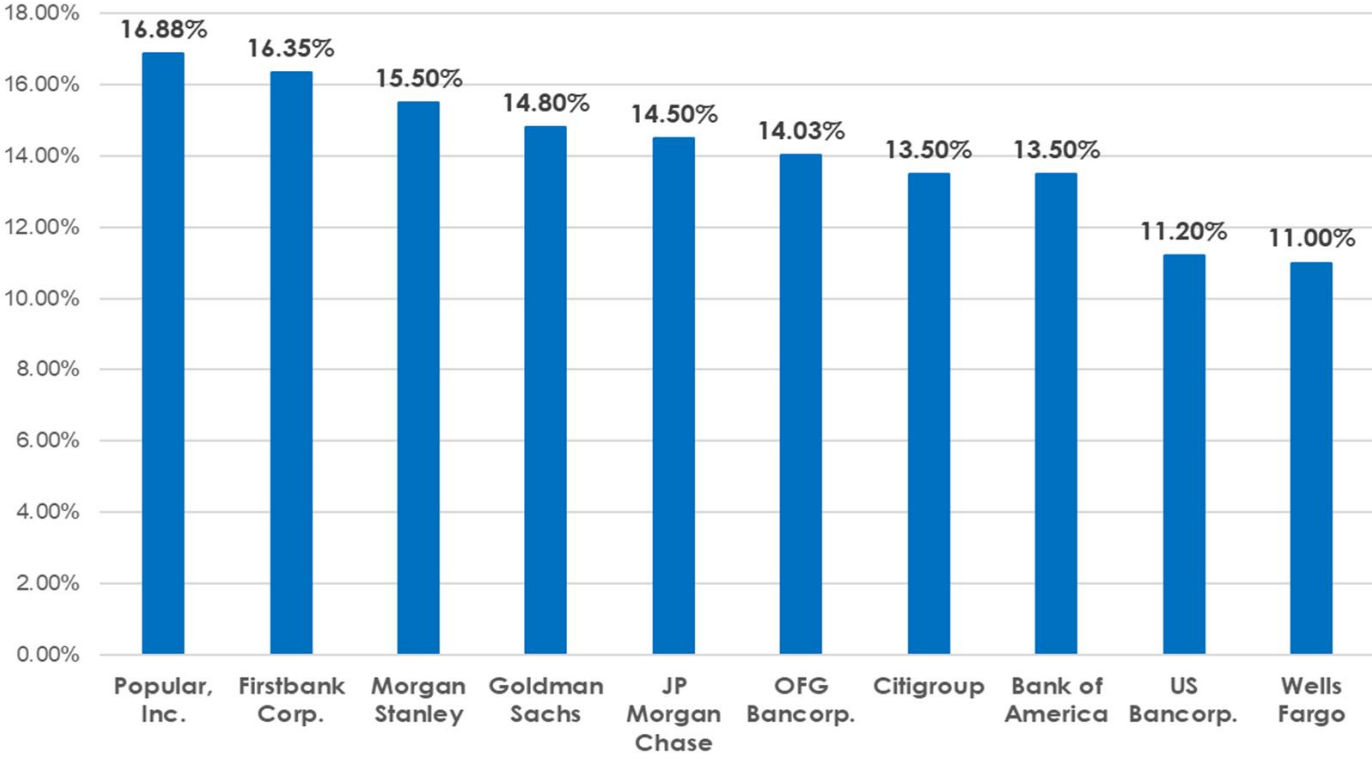
### Eurozone Summary:

- **Stoxx 600** closed at 447.43, up 6.90 points or 1.58%.
- **FTSE 100** closed at 7,446.53, up 104.10 points or 1.42%.
- **Dax Index** closed at 15,143.60, up 220.33 points or 1.48%.

### Wall Street Summary:

- **Dow Jones Industrial Average** closed at 33,839.08, up 564.50 points or 1.70%.
- **S&P 500** closed at 4,317.78, up 79.92 points or 1.89%.
- **Nasdaq Composite** closed at 13,294.19, up 232.72 points or 1.43%.
- **Birling Capital Puerto Rico Stock Index** closed at 2,672.73, up 37.60 or 1.43%.
- **Birling Capital U.S. Bank Stock Index** closed at 3,414.27, up 7.78 or 0.23%.
- **U.S. Treasury 10-year note** closed at 4.67%.
- **U.S. Treasury 2-year note market** closed at 4.98%.

### Top Banks Tier 1 Capital Ratio September 2023



# US Initial Claims for Unemployment rose to 217,000, up 2.36%

- US Initial Claims for Unemployment Insurance 217000.0
- US Job Openings: Total Nonfarm 9.553M
- US Unemployed Persons: Job Seeker 5.57M





# US Durable Goods New Orders, 30-Year Mortgage Rate, Germany Unemployment Rate & Bank of England Bank Rate

- US Durable Goods New Orders MoM 4.65%
- 30 Year Mortgage Rate 7.76%
- Germany Unemployment Rate 5.70%
- Bank of England Bank Rate 5.25%

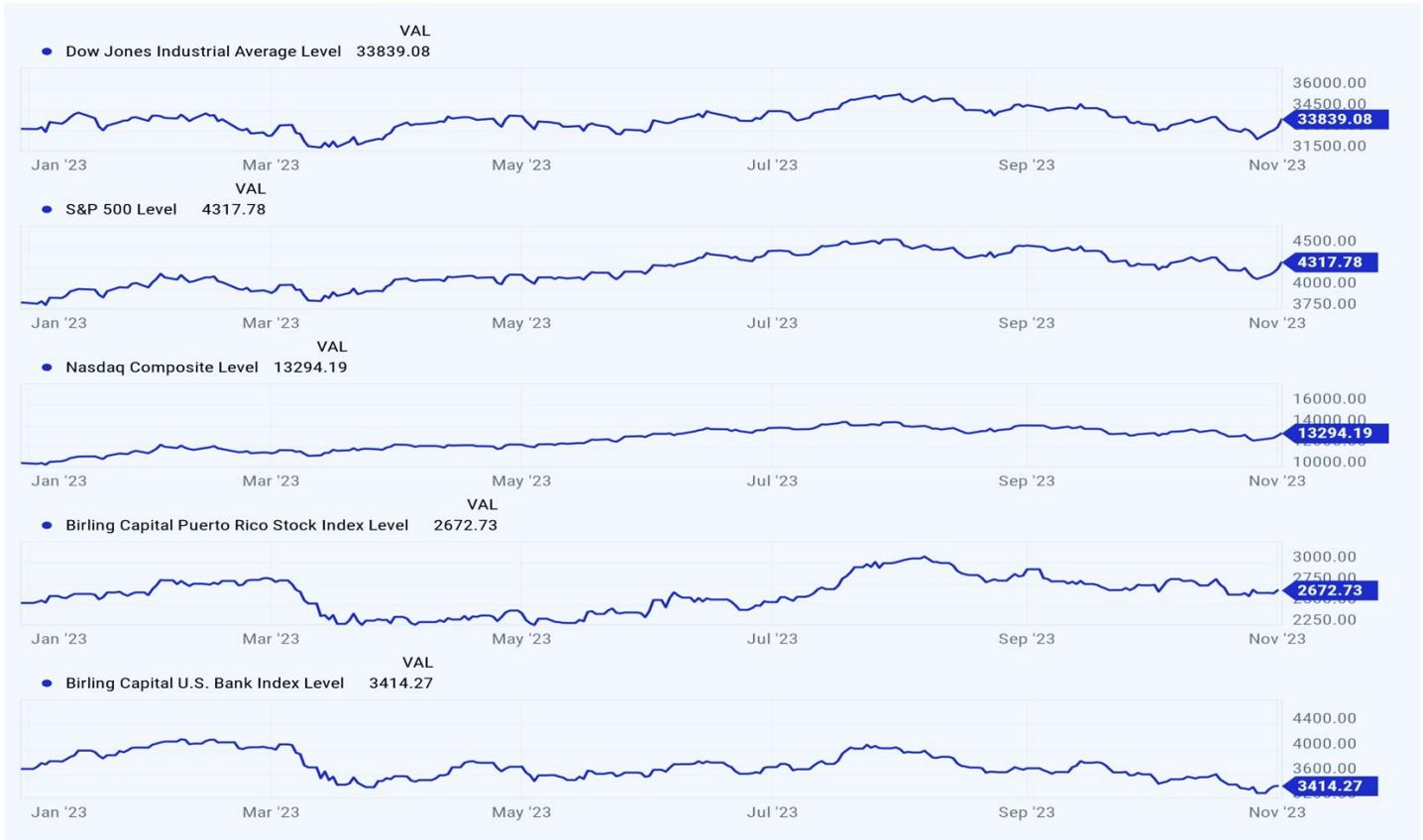




# Wall Street Recap

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