

GLOBAL MARKET SQUARE



The IMF Global Growth forecast is now 3.20%, down from 4.50%, a 29% decrease; the U.S. downgraded to 1.60%, decreasing 60%, and Wall Street closed down.

October 11, 2022

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The U.S. & European stock markets closed the session mostly down; the Dow Jones Industrial Average was able to close in the black. The main reason was the impactful IMF Global Economy Growth Forecast, which presents a tale of ruin and economic collapse, issues not amenable to investors or markets. Also, most investors are focusing on the Consumer Price Index that is due to report on October 13; consensus estimated call for the CPI to fall between 8.0% to 8.1% from its prior reading of 8.26%. Our current forecast is that the CPI should fall between 7.6% and 7.8%, and should it materialize, it would mean that inflation has peaked.

Today, the International Monetary Fund updated its Global Economic Growth Forecast, which provided a daunting tale of global economic evaporation. The causes include challenging issues such as out-of-control inflation, stricter monetary policy, the Russian invasion of Ukraine, and the remaining effects of COVID-19. The new Global GDP forecast is now 3.20%, down from 4.50% originally, a 29% decrease; the U.S. was downgraded to 1.60%, decreasing from 4%, a 60% decrease, below we highlight the results:

Global Economic Growth Forecast for 2022

- USA 1.60%
- Puerto Rico 2.50%
- European Union 3.10%
- Germany 1.50%
- France 2.50%
- Italy 3.20%
- Spain 4.30%
- Japan 1.70%
- United Kingdom 3.60%
- Canada 3.30%
- China 3.20%
- India 6.80%
- Brazil 2.80%

Key Economic Data:

- **U.S. Retail Gas Price:** rose to \$3.909, up from \$3.832 last week, an increase of 2.01%.
- **U.K. ILO Unemployment Rate:** fell to 3.60%, compared to 3.70% last month.
- **U.K. Average Weekly Earnings:** rose to 6.00%, compared to 5.50% last month.
- **Japan Machinery Orders YoY:** rose to 12.99%, compared to 7.62% last month.

Puerto Rico COVID-19 Update October 11:

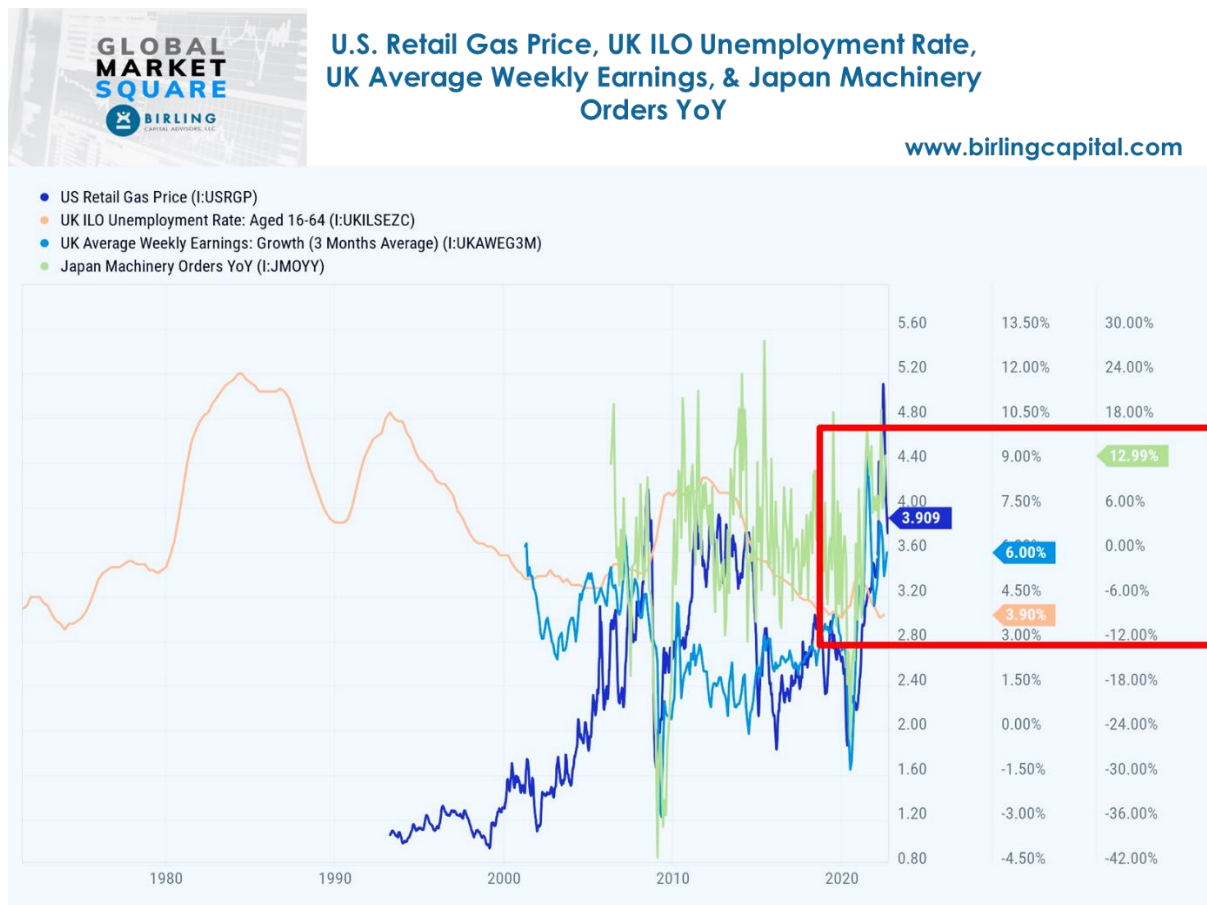
- Daily Cases: 121
- Positivity Rate: 12.89%
- Hospitalizations: 174
- Deaths: 6
- Source Puerto Rico Department of Health.

Eurozone Summary for October 11:

- Stoxx 600 closed at 387.92, down 2.20 points or 0.56%.
- FTSE 100 closed at 6,885.23, down 74.08 points or 1.06%.
- Dax Index closed at 12,220.25, down 52.69 points or 0.43%.

Wall Street Summary for October 11:

- Dow Jones Industrial Average closed at 29,239.19, up 36.31 points or 0.12%.
- S&P 500 closed at 3,588.84, down 23.55 points or 0.65%.
- Nasdaq Composite closed at 10,426.19, down 115.91 points or 1.10%.
- Birling Capital Puerto Rico Stock index closed at 2,603.10, up 0.31 points or 0.01%.
- The U.S. Treasury 10-year note closed at 3.93%.
- The U.S. Treasury 2-year note closed at 4.30%.



IMF Global Economic Growth Forecast Updated 10.11.22

Global Economic Growth Forecast	2022	2023
USA	1.60%	1.00%
Puerto Rico	2.50%	2.10%
European Union	3.10%	0.50%
Germany	1.50%	-0.30%
France	2.50%	0.70%
Italy	3.20%	-0.20%
Spain	4.30%	1.20%
Japan	1.70%	1.60%
United Kingdom	3.60%	0.60%
Canada	3.30%	1.50%
China	3.20%	4.40%
India	6.80%	6.10%
Brazil	2.80%	2.80%
Global Economic Growth Forecast	3.20%	2.70%



Wall Street Recap October 11, 2022

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