

GLOBAL MARKET SQUARE



The Producer Price Index rose to 2.17% ahead of estimates and shows the Fed's inflation fight is far from over, and Wall Street closed up.

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The U.S. and European stock markets closed the session with mixed results as the Producer Price Index rose to 2.17%, increasing 0.5% more than the consensus estimates of 0.3%. The PPI measures costs for finished goods that all producers pay, and the results tell us that the Federal Reserve may have more to double down to tame inflation with the danger of impacting the economy.

Investors are looking forward to the consumer price index (CPI) being released tomorrow, and the latest inflation nowcast has the CPI at 3.69% and the Core CPI at 4.17%, which we shall see. For October, the Inflation Nowcast for the CPI 3.41% and Core CPI 4.19%.

The Federal Open Market Committee minutes were released today, noting that Federal Reserve officials at their September meeting differed on whether more interest rate increases would be necessary. However, in summation, the indication is that one more rate increase would be likely.

The FOMC is convinced inflation is heading to its 2% target rate.

Corporate Earnings Parade:

The Corporate earnings parade began this week, and some of the companies we follow are due to report as follows:

10/12/23

- **Delta Airlines (DAL):** has an earnings per share estimate of \$1.965 with a stock price objective of \$55.21.

10/13/23

- **JP Morgan Chase (JPM):** has an earnings per share estimate of \$3.967 with a stock price objective of \$168.79.
- **Citigroup (C):** has an earnings per share estimate of \$1.219 with a stock price objective of \$51.31.
- **Wells Fargo (WFC):** has an earnings per share estimate of \$1.236 with a stock price objective of \$49.90.

Key Economic Data:

- **U.S. Producer Price Index YoY:** rose to 2.17%, compared to 1.95% last month.
- **U.S. Core Producer Price Index YoY:** fell to 2.67%, compared to 2.54% last month.
- **Canada Building Permits MoM:** rose to 3.39%, compared to -3.77% last month.
- **Germany Consumer Price Index YoY:** fell to 4.50%, compared to 6.10% last month.
- **Japan Machinery Orders YoY:** fell to -10.95%, compared to -6.58% last month.

Eurozone Summary:

- **Stoxx 600** closed at 453.31, up 0.83 points or 0.18%.
- **FTSE 100** closed at 7,620.03, down -8.18 points or 0.11%.
- **Dax Index** closed at 15,460.01, up 36.49 points or 0.24%.

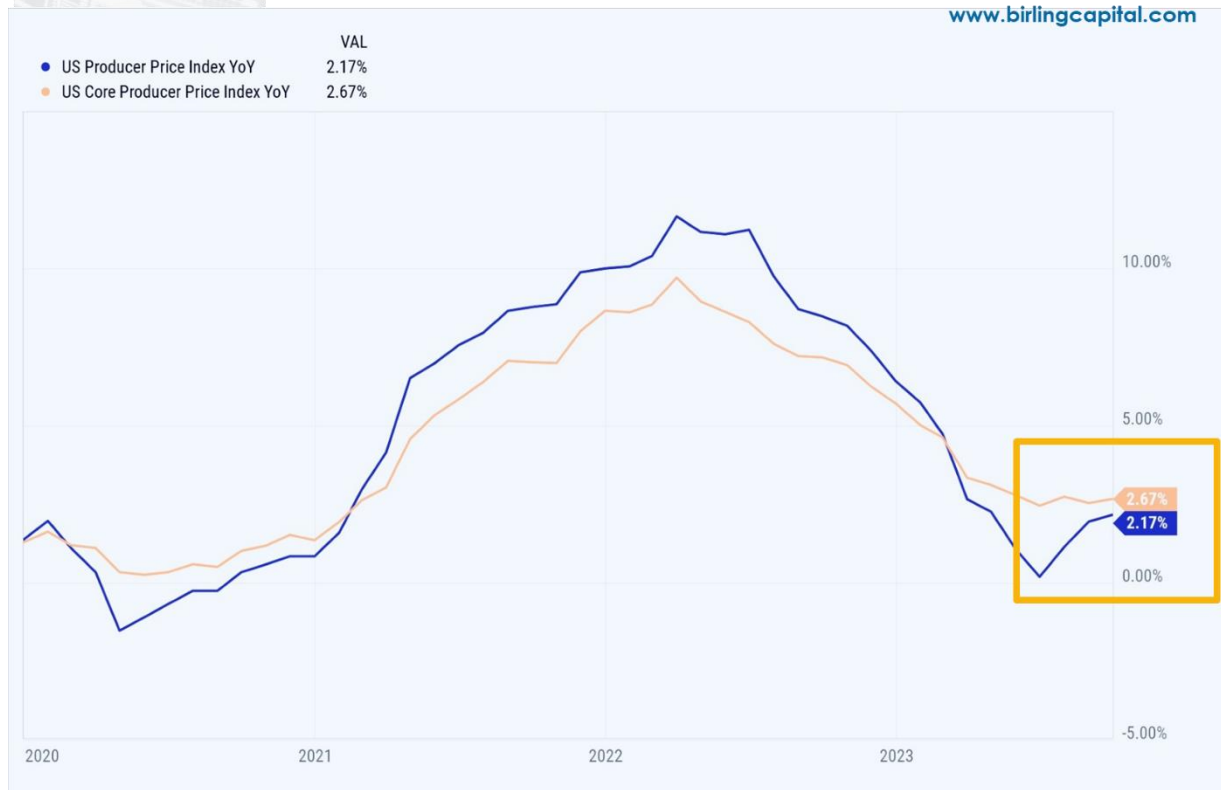
Wall Street Summary:

- **Dow Jones Industrial Average** closed at 33,804.87, up 65.57 points or 0.19%.
- **S&P 500** closed at 4,376.94, up 18.70 points or 0.43%.
- **Nasdaq Composite** closed at 13,659.68, up 96.83 points or 0.71%.
- **Birling Capital Puerto Rico Stock Index** closed at 2,783.22, up 2.06 points or 0.07%.
- **Birling Capital U.S. Bank Stock Index** closed at 3,560.65, up 36.60 points or 1.04%.
- **U.S. Treasury 10-year note** closed at 4.58%.
- **U.S. Treasury 2-year note market** closed at 4.99%.



US Producer Price Index & US Core Producer Price Index

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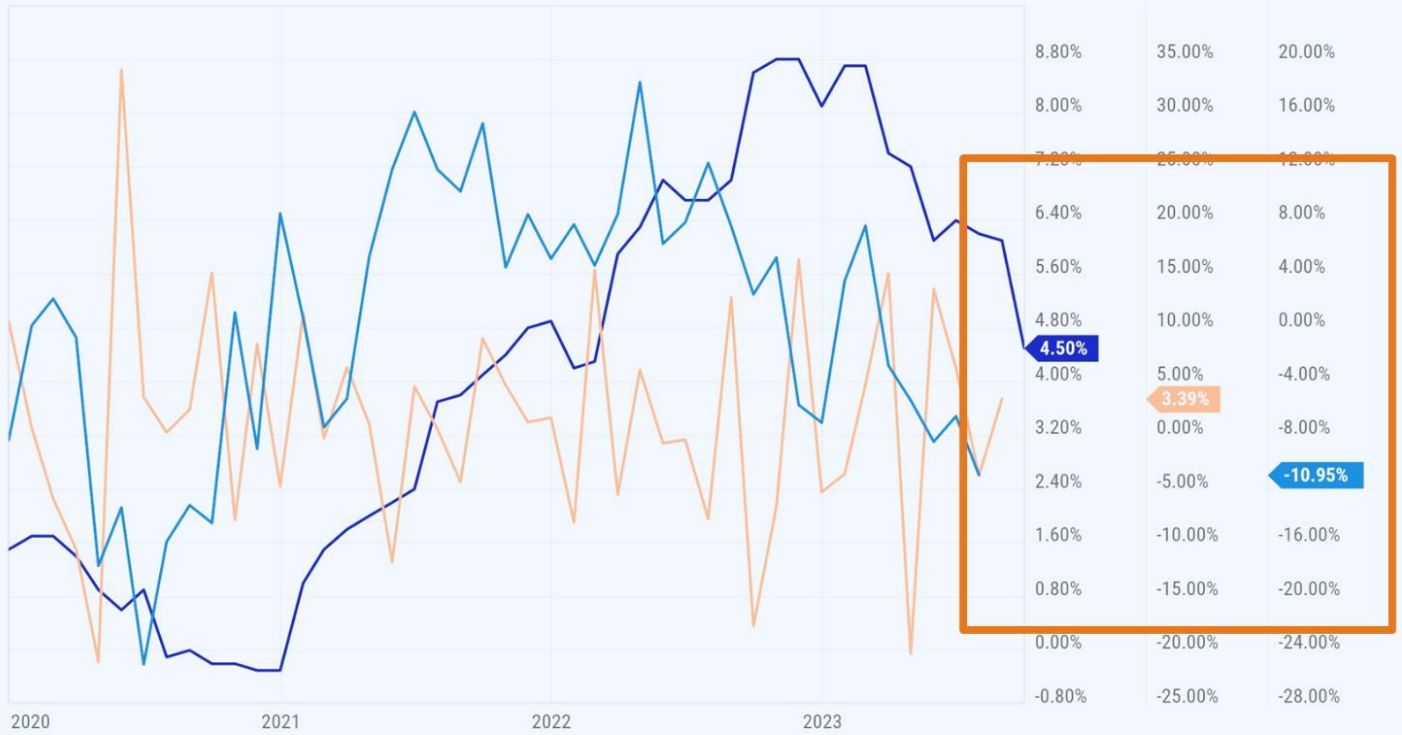


Germany Consumer Price Index, Canada Building Permits & Japan Machinery Orders

- Germany Consumer Price Index YoY 4.50%
- Canada Building Permits MoM 3.39%
- Japan Machinery Orders YoY -10.95%

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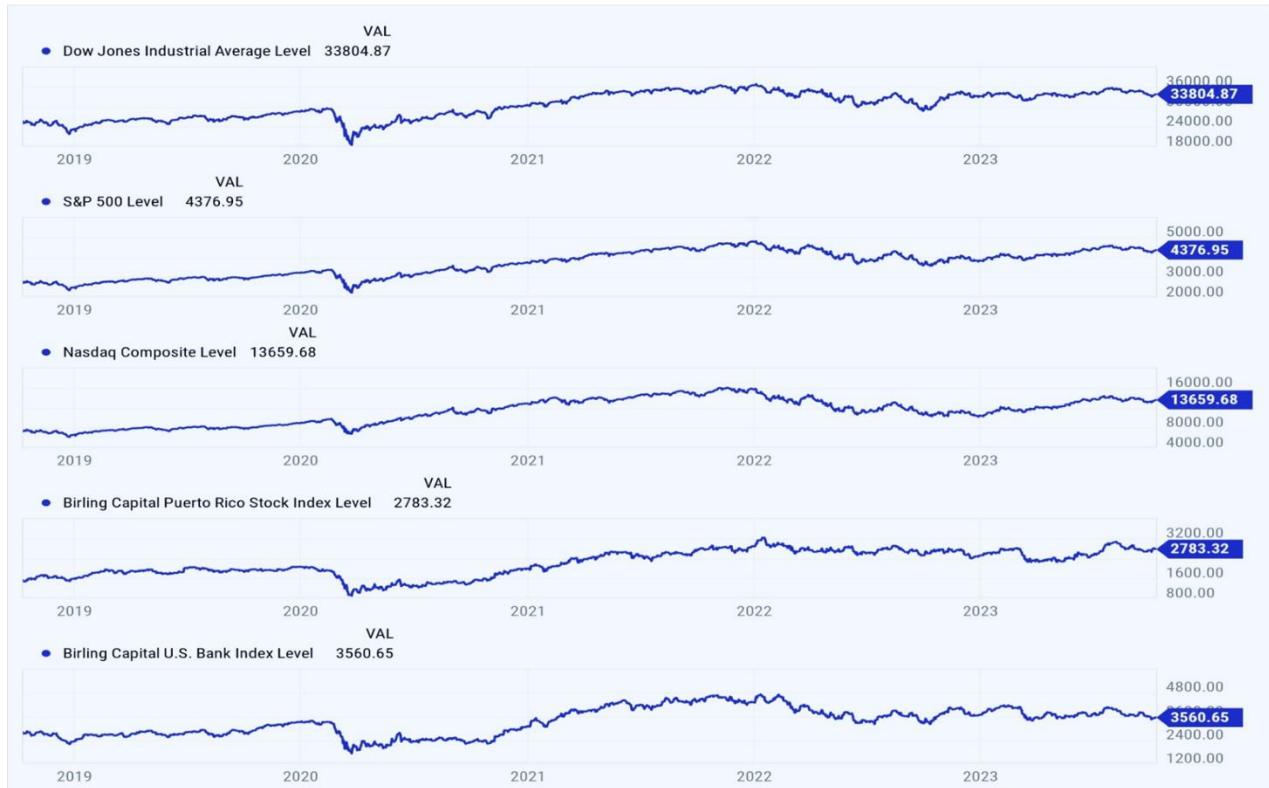




Wall Street Recap

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