

The Consumer Price Index (CPI) unexpectedly increases by 0.12% to 8.26%; Core CPI also rises 0.57%, taking Wall Street down dramatically and forcing a selloff.

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The U.S. & European stock markets took a beating today as the Consumer Price Index reports of the U.S. and Germany were more significant than expected.

In the U.S., the Consumer Price Index rose 0.12% to 8.26% YoY, an unexpected increase as the consensus estimates expected a decrease of -0.1%. More concerning is that the Core Consumer Price Index MoM, which excludes volatile items like energy and food, rose by 0.57%. With the decline in energy prices, most expected inflation to begin subsiding, a condition that did not materialize.

With the Federal Market Open Committee (FOMC) meeting on Sept. 20-21, this CPI report is the last piece of the puzzle the Fed will use to increase interest rates. We expect the third consecutive 75 basis points to increase or the first 100 basis points to continue fighting inflation.

Fed, Chair Powell, reaffirmed the bank's focus on curbing inflation to the 2% target rate stating, "History cautions strongly against prematurely loosening policy and where a critical reason why inflation was so persistent in the 1970s and '80s".

The four indices we follow have taken a beating year to date; these are the results as of September 13:

- Dow Jones Industrial Average closed at 31,104.97 points, down -5,233.33 points.
- S&P 500 settled at 3,932.68 points, losing a total of -833.50 points.
- Nasdaq Composite closed at 11,633.57 points, losing -4,011.40 points.
- Birling Puerto Rico Stock Index closed at 2,768.25 points, losing -110.88 points.

Key Economic Data:

- **U.S. Consumer Price Index YoY:** fell to 8.26%, compared to 8.52% last month.
- **U.S. Consumer Price Index MoM:** rose to 0.12%, compared to -0.02% last month.
- **U.S. Inflation Rate:** fell to 8.26%, compared to 8.52% last month.
- **U.S. Core Consumer Price Index YoY:** rose to 6.32%, compared to 5.91% last month.
- **U.S. Core Consumer Price Index MoM:** rose 0.57%, compared to 0.31% last month.
- **Germany Consumer Price Index YoY:** rose to 7.90%, compared to 7.50% last month.
- **Germany Consumer Price Index MoM:** rose to 0.34%, compared to 0.85% last month.
- **ZEW Indicator of Economic Sentiment for Germany:** is at -61.90, down from -55.30 last month.
- **UK ILO Unemployment Rate:** fell to 3.70%, compared to 3.90% last month.
- **Japan Industrial Production Index MoM:** fell to 1.04%, compared to 9.20% last month.
- **Japan Machinery Orders YoY:** rose to 7.62%, compared to 5.88% last month.

Puerto Rico COVID-19 Update September 13:

- Daily Cases: 288, down 0.68%.
- Positivity Rate: 21.73%, down 1.54%.
- Hospitalizations: 273, up 4.76%.
- Deaths: 12, up from 0.
- Source Puerto Rico Department of Health.

Eurozone Summary for September 13:

- Stoxx 600 closed at 421.43, down 6.32 points or 1.48%.
- FTSE 100 closed at 7,385.86, down 87.17 points or 1.17%.
- Dax Index closed at 13,188.95, down 212.32 points or 1.59%.

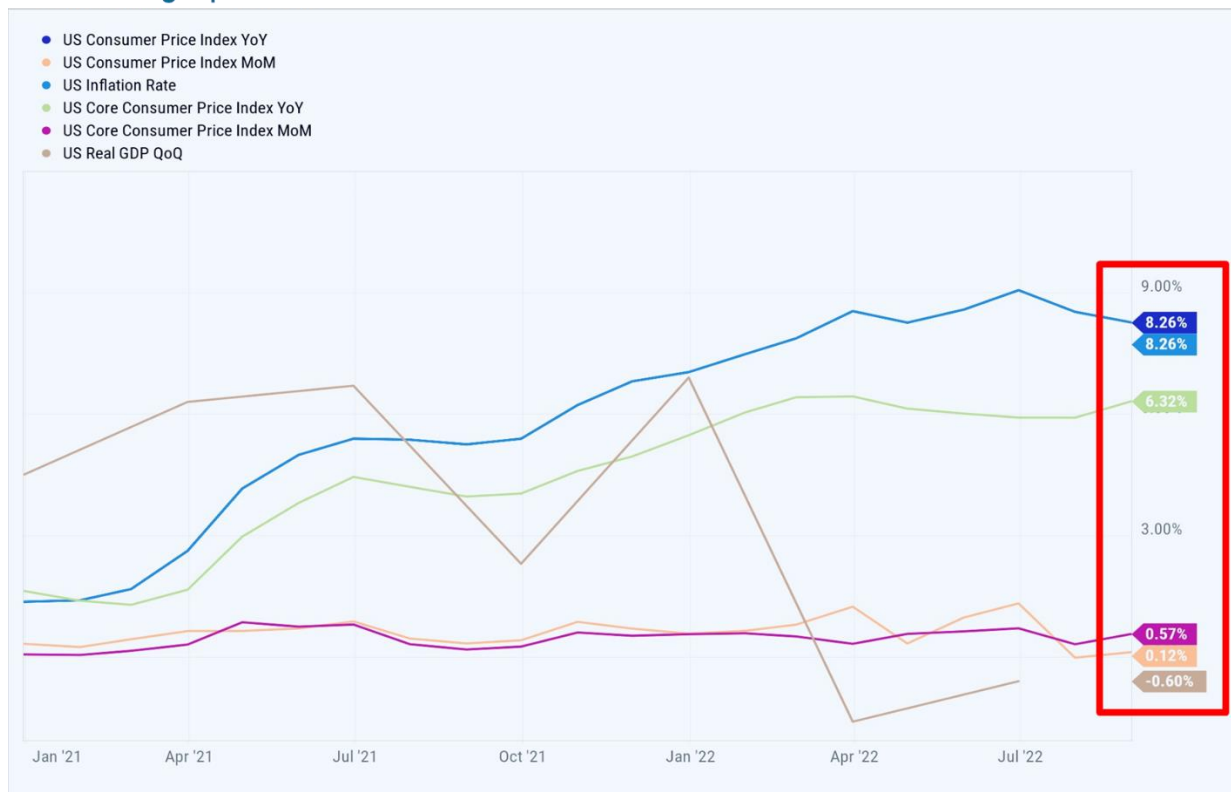
Wall Street Summary for September 13:

- Dow Jones Industrial Average closed at 31,104.97, down 1,276 points or 3.94%.
- S&P 500 closed at 3,932.69, down 177.72 points or 4.32%.
- Nasdaq Composite closed at 11,633.57, down 632.84 points or 5.16%.
- Birling Capital Puerto Rico Stock index closed at 2,768.25, up 35.69 points or 1.31%.
- The U.S. Treasury 10-year note closed at 3.42%.
- The U.S. Treasury 2-year note closed at 3.75%.



U.S. CPI YoY, U.S. CPI MoM, U.S. Inflation Rate, U.S. Core CPI YoY, U.S. Core CPI MoM & U.S. GDP

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- ZEW Indicator of Economic Sentiment for Germany
- Germany Consumer Price Index MoM
- Japan Industrial Production Index MoM
- Germany Consumer Price Index YoY
- UK ILO Unemployment Rate: Aged 16-64
- Japan Machinery Orders YoY





Wall Street September 13, 2022

YTD Returns

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Wall Street Recap September 13, 2022

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