

GLOBAL MARKET SQUARE



Weekly declines include the Dow Jones with 1,232.01 points, Nasdaq with 580.47 points, and the S&P 500 with 180.10, taking 2 of Wall Street's key indices to bear territory.

September 23, 2022

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The U.S. & European stock markets ended the week with more losses as the toughening stance of the Federal Reserve Bank to fight inflation may result in the world's largest economy falling into a protracted recession.

We have often said that the Fed entered the inflation fight one year later since its inflation target of 2% was surpassed using both the CPI & the PCE.

On April 2022, the CPI was 4.16% or 108% above the Fed's target, and the PCE was 3.58% or 79% above the Fed's target. With the CPI currently at 8.26% or 313% above the Fed's inflation target and the PCE at 6.28% or 214% above the target, the only possible solution was to increase rates aggressively. The current increases in rates are the most aggressive campaign since 1981.

In Europe, most central banks have also increased rates, including The Bank of England, Swiss National Bank, and Norway's central bank.

However, all is not negative looking at the bigger picture, and you will see some key positives, including:

- Corporate earnings have remained strong and are the guide for market performance, and most S&P 500 earnings are still expected to rise.
- Stock markets may have fallen north of 20% or more; however, we see numerous upsides outweighing the near-term volatility, and we predict the market will end the year with gains.
- Unemployment Claims delivered better-than-expected numbers at 213,000 and remain relatively low.

Weekly Wall Street Comparison 9/23 vs. 9/16:

- Dow Jones fell -1232.01 points and a YTD return of -18.57%.
- S&P 500 fell -180.10 points and a YTD return of -22.51% in Bear Territory.
- Nasdaq Composite fell -580.47 points and YTD return of 30.53%, deep in bear country.
- Birling Puerto Rico Stock Index fell -106.60 points and a YTD return of -8.58%.

Key Economic Data:

- **Canada Retail Sales MoM:** fell to -2.47%, compared to 0.97% last month.
- **China Exports YoY:** fell to 7.00%, compared to 17.80% last month.

- **China Imports YoY:** fell to -0.19%, compared to 2.49% last month.
- **China Trade Balance: fell to** 79.39 billion, down from 101.27 billion last month, decreasing -21.61%.

Puerto Rico COVID-19 Update September 23:

- Daily Cases: 28
- Positivity Rate: 14.14%
- Hospitalizations: 224
- Deaths: 9
- Source Puerto Rico Department of Health.

Eurozone Summary for September 23:

- Stoxx 600 closed at 390.30, down 9.46 points or 1.85%.
- FTSE 100 closed at 7,018.60, down 140.92 points or 1.97%.
- Dax Index closed at 12,284.19, down 247.44 points or 1.97%.

Wall Street Summary for September 23:

- Dow Jones Industrial Average closed at 29,590.41, down 486.27 points or 1.62%.
- S&P 500 closed at 3,693.23, down 64.76 points or 1.72%.
- Nasdaq Composite closed at 10,867.93, down 198.88 points or 1.80%.
- Birling Capital Puerto Rico Stock index closed at 2,632.22, down 49.62 points or 1.85%.
- The U.S. Treasury 10-year note closed at 3.69%.
- The U.S. Treasury 2-year note closed at 4.20%.



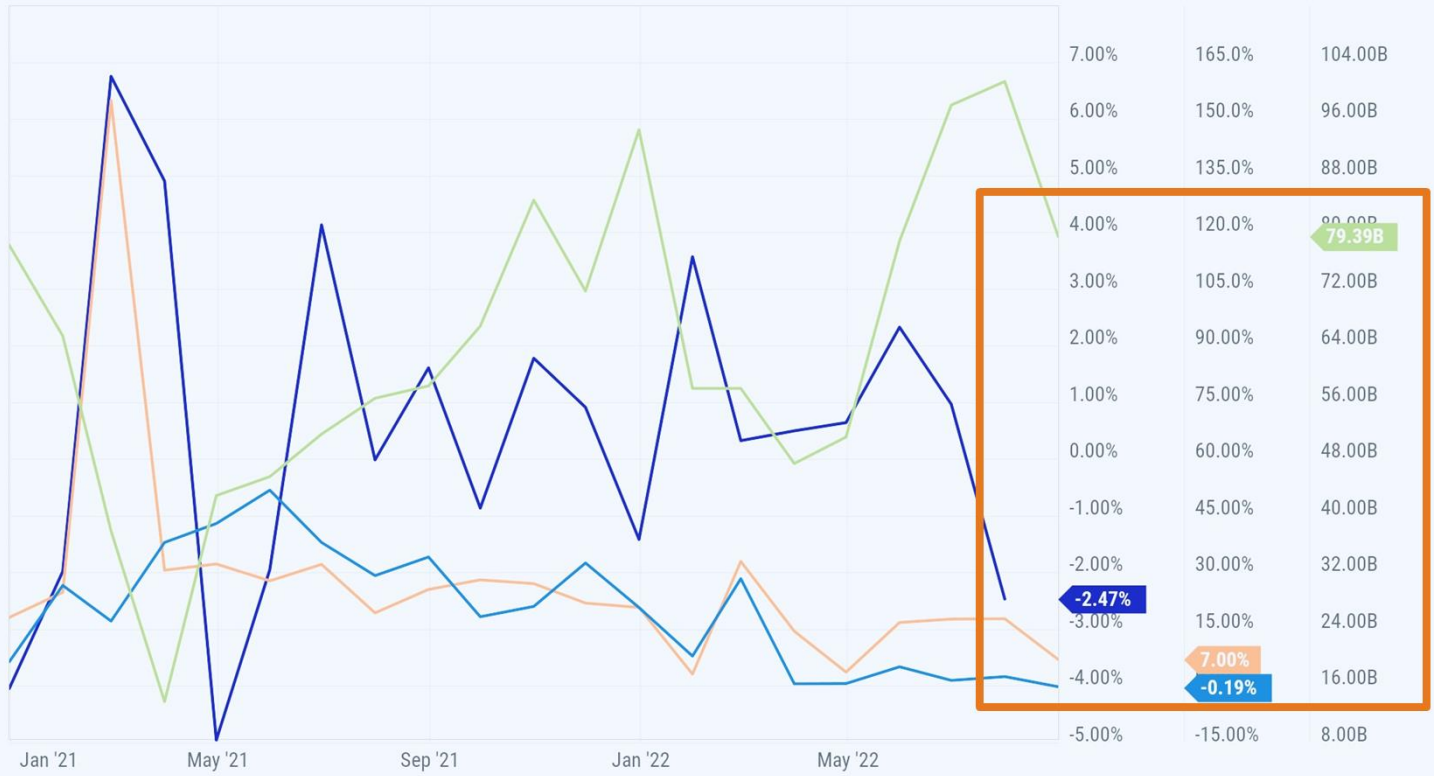
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Date	GDP Now Forecast	Change
8/12/2022	2.50%	4.00%
8/17/2022	1.60%	-56.25%
8/24/2022	1.40%	-14.29%
8/26/2022	1.60%	12.50%
9/1/2022	2.60%	38.46%
9/7/2022	1.40%	-85.71%
9/15/2022	0.50%	-180.00%
9/20/2022	0.30%	-66.67%



Canada Retail Sales, China Exports China Imports & China Trade Balance

- Canada Retail Sales MoM
- China Exports YoY
- China Imports YoY
- China Trade Balance





Wall Street September 23, 2022

YTD Returns

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• Dow Jones Industrial Average Level % Change



• S&P 500 Level % Change



• Nasdaq Composite Level % Change



• Birling Capital Puerto Rico Stock Index Level % Change





Wall Street Recap

September 23, 2022

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● Dow Jones Industrial Average Level



● S&P 500 Level



● Nasdaq Composite Level



● Birling Capital Puerto Rico Stock Index Level



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