

ADP Employment Change fell - 44.44%, the GDPNow falls to 1.50%, and Wall Street closed mixed.

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The U.S. & European stock markets closed with mixed results as investors absorbed two critical pieces of macroeconomic data that may signal that the U.S. economy may be hitting the brakes much faster than expected; we begin with the latest ADP Employment Change, which fell an eye-popping -44.44% to 145,000. While employment is still positive, we reported yesterday that Job openings had dropped below 10 million to 9.931 million, a 5.98% less; taken together, both the decrease's magnitude signals a substantial slowdown. The two other issues are the sharp decrease in the ISM Manufacturing PMI, which fell to 46.30, down down -2.94% and well below the 50 reading, signaling a contraction; lastly, today, the GDPNow reading for GDP for the first quarter was updated, also falling to 1.50% GDP down from 1.70% and down from 3.20% and the end to last month in total the forecast has fallen -113.33% since March 24.

The U.S. economy has continued to experience difficult investment spending, with the manufacturing sector facing severe stress. Both critical U.S. economic growth drivers have remained resilient, and the question is until when and how long.

While the banking crisis of confidence is slowly becoming part of the past, its effects may be felt for a long time as we may see credit approval becoming more stringent with banks focusing on their Tier 1 Capital and liquidity levels; also, there will be more scrutiny from the Fed and FDIC that banks must deal with shortly.

GDPNow Update:

- The GDPNow for the first quarter of 2023 was updated on 4/5/23, falling to 1.50% GDP from 1.70% GDP.

Key Economic Data:

- **ADP Employment Change:** fell to 145,000, down from 261,000 last month, decreasing -44.44%.
- **ADP Median Pay YoY:** fell to 6.90%, compared to 7.20% last month.
- **U.S. ISM Services PMI:** fell to 51.20, down from 55.10 last month, decreasing -7.08%.
- **U.S. ISM Services Employment Index:** fell to 51.30, down from 54.00 last month, dropping -5.00%.
- **U.S. ISM Services New Orders Index:** fell to 52.20, down from 62.60 last month, decreasing -16.61%.
- **U.S. Trade Balance on Goods:** fell to -92.98 Billion, down from -90.27B last month.

Puerto Rico COVID-19 Update April 5:

- Daily Cases: 40
- Positivity Rate: 10.45%

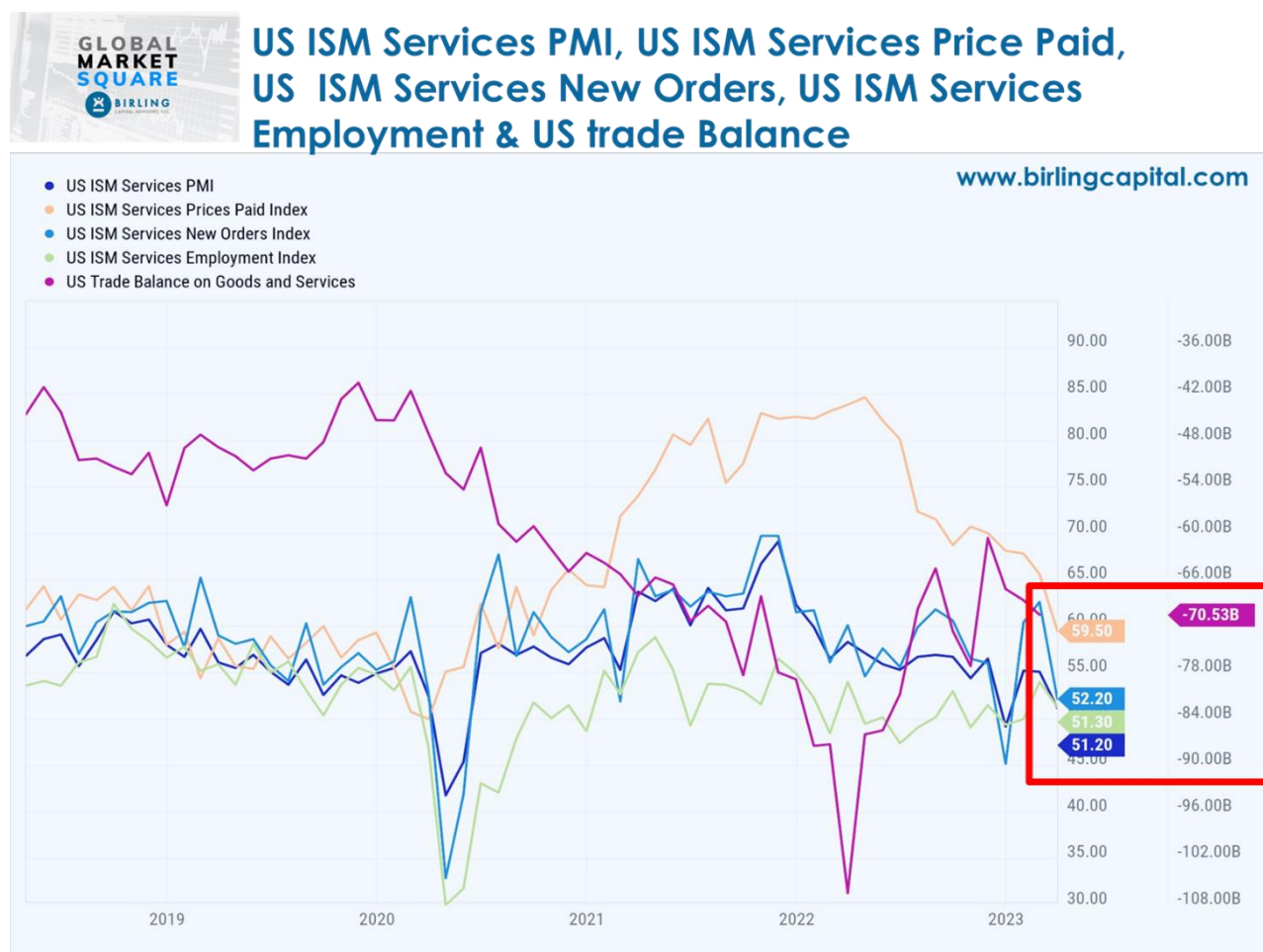
- Hospitalizations: 72
- Deaths: 2
- Source P R. Department of Health.

Eurozone Summary for April 5:

- Stoxx 600 closed at 456.20, down 1.14 points or 0.25%.
- FTSE 100 closed at 7,662.94, up 28.42 points or 0.37%.
- Dax Index closed at 15,520.17, down 83.30 points or 0.53%.

Wall Street Summary for April 5:

- Dow Jones Industrial Average closed at 33,482.72, up 80.34 or 0.24%.
- S&P 500 closed at 4,090.38, down 10.22 points or 0.25%.
- Nasdaq Composite closed at 11,996.86, down 129.47 points or 1.07%.
- Birling Capital Puerto Rico Stock index closed at 2,355.39, down 30.52 points or 0.87%.
- Birling Capital U.S. Bank Stock Index closed at 3,566.42, down 3.17 points or 0.09%.
- U.S. Treasury 10-year note closed at 3.30%.
- U.S. Treasury 2-year note closed at 3.79%.

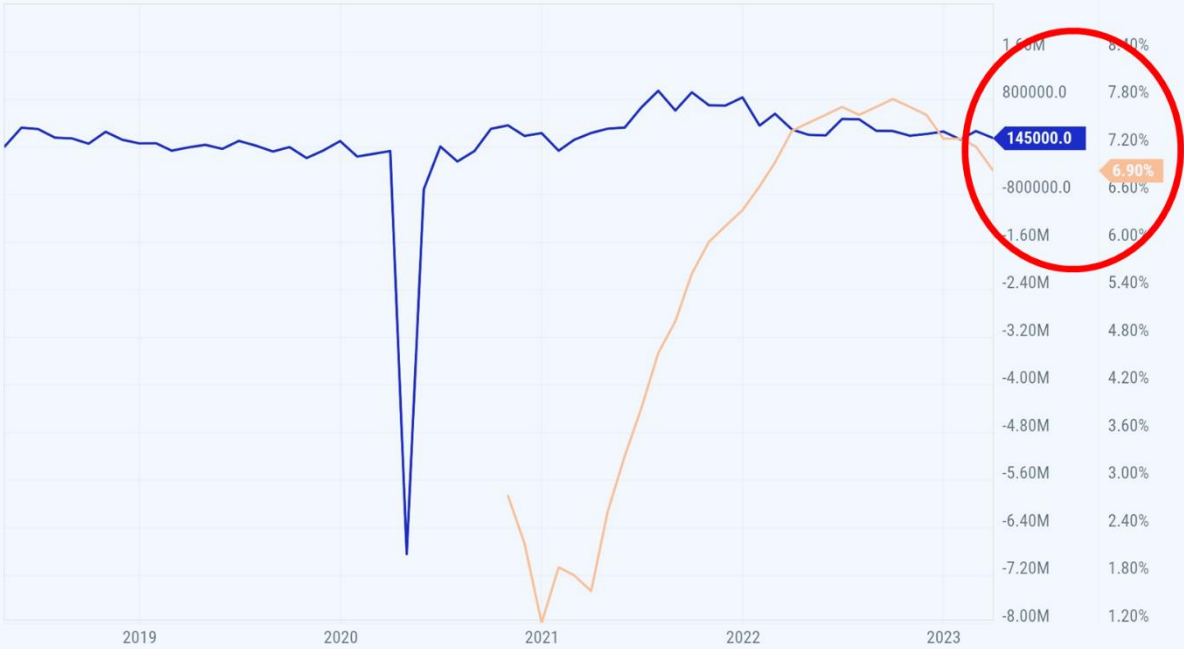




ADP Employment Change & ADP Median Pay YoY

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- ADP Employment Change
- ADP Median Pay YoY





GDPNow 4.5.23

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Date	GDPNow 1Q23	Change
1/27/2023	0.70%	Initial Forecast
2/1/2023	2.10%	66.67%
2/8/2023	2.20%	4.55%
2/15/2023	2.40%	8.33%
2/16/2023	2.50%	4.00%
2/24/2023	2.70%	7.41%
2/27/2023	2.80%	3.57%
3/1/2023	2.30%	-21.74%
3/7/2023	2.00%	-15.00%
3/8/2023	2.60%	23.08%
3/15/2023	3.20%	18.75%
3/16/2023	3.20%	0.00%
3/24/2023	3.20%	0.00%
3/31/2023	2.50%	-28.00%
4/3/2023	1.70%	-47.06%
4/5/2023	1.50%	-13.33%



Wall Street Recap April 5, 2023



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