

# GLOBAL MARKET SQUARE



**Nonfarm Payrolls fell -27.61%,  
the Unemployment Rate declined to 3.50%,  
the Labor Force Participation Rate rose to  
62.60%, and Wall Street closed today.**

**April 7, 2023**

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The U.S. & European stock markets were closed today in observance of Good Friday, while the bond markets opened for a shortened session; for that reason, we have the U.S. Treasury Notes updated.

Today, as we had mentioned, the U.S. Jobs market data was released, showing that the Nonfarm payrolls created 236,000 jobs in March, a decrease from last month of -27.61% and below the consensus estimates of 240,000, further evidence that the labor markets have begun to hit the brakes.

The unemployment rate fell to 3.5%, below the consensus estimate that it would remain unchanged at 3.60%; the reason is that decrease comes since the labor force participation rose to 62.60%, its highest level since before the pandemic.

Two other labor metrics also fell the Average Hourly Earnings YoY fell to 4.24%, a monthly decrease of 8.22%, and the Total Private Average Weekly Hours fell to 34.40, decreasing -0.29%.

## **Corporate Earnings Parade April 13-14:**

### **April 13:**

#### **Company Earnings Estimate**

- Delta Airlines (DAL) \$0.32 per share
- First Republic (FRC) \$0.51 per share

### **April 14:**

#### **Company Earnings Estimate**

- JP Morgan (JPM) \$3.40 per share
- BlackRock (BLK) \$7.77 per share
- Citigroup (C) \$1.71 per share
- PNC (PNC) \$3.70 per share
- Wells Fargo (WFC) \$1.18 per share

### **Birling's Highlighted Stocks:**

- **Delta Air Lines (DAL)**, The consensus estimates are for Delta to report 32 cents per share compared to a per-share loss of \$1.23 in the year-ago period. Revenues are projected to

reach \$12.1 billion, up 47.6% year-over-year. Delta stock is trading at \$33.69, up 2.39% YTD, with a stock price objective of \$51.42.

- **JPMorgan Chase (JPM)** will join Citigroup and Wells Fargo when it reports first-quarter earnings Fridays before the market opens. Q123 results from Banks will be scrutinized due to the Crisis of Confidence created by the failure of Silicon Valley Bank, Signature Bank, and Credit Suisse's forced merger with UBS, which impacted the whole sector. Expect JP Morgan Chase to show a solid deposit base and business model with its "Fortress Balance Sheet." JP Morgan Chase stock is trading at \$127.47, down -3.49% YTD, with a stock price objective of \$154.16.
- **Citigroup (C)** will join JP Morgan Chase and Wells Fargo when it reports first-quarter earnings Friday before the market opens. Expect Citi to deliver a decline in earnings on higher revenues when it reports 1Q23 results. We have to wait for the actual results to compare the estimates, which is an influential factor that could impact on its stock price. Citi stock is trading at \$45.86, up 2.41% YTD, with a stock price objective of \$55.41.

### Key Economic Data:

- **U.S. Nonfarm Payrolls MoM:** fell to 236,000, down from 326,000 last month, dropping -27.61%.
- **U.S. Unemployment Rate:** fell to 3.50%, compared to 3.60% last month.
- **U.S. Labor Force Participation Rate:** rose to 62.60%, compared to 62.50% last month.
- **U.S. Average Hourly Earnings YoY:** fell to 4.24%, compared to 4.62% last month.
- **U.S. Total Private Average Weekly Hours:** fell to 34.40, down from 34.50 last month, decreasing -0.29%.
- **U.S. Consumer Credit Outstanding MoM:** fell to 14.80 billion, up from 10.69 billion last month, dropping 38.41%.
- **Japan Business Conditions Composite Coincident Index:** rose to 99.20, up from 96.40 last month, increasing 2.90%.

### Puerto Rico COVID-19 Update April 7:

- Daily Cases: 43
- Positivity Rate: 11.20%
- Hospitalizations: 72
- Deaths: 3
- Source P R. Department of Health.

### Eurozone Summary for April 7:

**Markets are closed in observance of Good Friday.**

### Wall Street Summary for April 7:

**Stock Markets are closed in observance of Good Friday. While Bonds Markets opened for a brief session**

- U.S. Treasury 10-year note closed at 3.39%.
- U.S. Treasury 2-year note closed at 3.97%.

# Corporate Earnings Parade Stocks for April 13-14 YTD Returns

- Delta Air Lines Inc (DAL) Price % Change
- First Republic Bank (FRC) Price % Change
- JPMorgan Chase & Co (JPM) Price % Change
- Citigroup Inc (C) Price % Change
- BlackRock Inc (BLK) Price % Change
- PNC Financial Services Group Inc (PNC) Price % Change



# US Nonfarm Payrolls, US Unemployment Rate, US Labor Participation Rate, US Hourly Earnings & US Total Private Weekly Hours

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- US Nonfarm Payrolls MoM
- US Unemployment Rate
- US Labor Force Participation Rate
- US Average Hourly Earnings YoY
- US Total Private Average Weekly Hours



Date Range: 12/31/2018 - 03/31/2023



# Interest Rate Increases vs, 30-Year Mortgage Rate vs. US Consumer Credit Outstanding



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