



GLOBAL MARKET SQUARE



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The corporate earnings parade continues with 100 or more companies reporting, The Debt Ceiling on the agenda, and Wall Street closed mixed.

April 24, 2023

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The U.S. and European Stock markets began the week as timidly as ever, with the indexes moving in small steps, as noted in the changes in the Dow Jones, S&P 500, Nasdaq, Birling Puerto Rico Stock Index, Birling U.S. Bank Index, Stoxx 600, FTSE 100 and Dax Index. Ultimately the Dow Jones, S&P 500, and Stoxx 600 closed with gains.

As investors look ahead to the busy week of corporate earnings, we note that at least today, the economic news was relatively light, with only Germany reporting its three Ifo Business Indexes. However, during the rest of the week, we have several vital benchmarks to look forward to. They include the New Single-Family Houses Sold, Durable Goods New Orders YoY, Initial Claims for Unemployment, and Personal Consumption Expenditures, the Fed's preferred inflation benchmark.

Corporate Earnings Parade:

For this week, we have a buffet of tech giants and the Puerto Rico Public companies reporting that includes:

- **April 24:**
 - First Republic Bank (FRC): reported 1Q23 revenues of \$1.2 billion, down 13.40%, and a net income of \$269 million, falling 32.90%, which beat estimates. The bank saw deposits fall 35.5% to \$104.5 billion, but the deposits have since stabilized, and it's cutting 25% of its workforce. The stock closed at \$16.00, up \$1.74 or 12.20%, with a price objective of \$57.00.
- **April 25:**
 - Alphabet (GOOG), The earnings per share forecast is \$1.071, with a price objective of \$125.00.
 - First Bancorp (FBP), The earnings per share forecast is \$0.35, with a price objective of \$14.30.
 - Microsoft (MSFT), The earnings per share forecast is \$2.234, with a price objective of \$364.64.
 - Meta (META), The earnings per share forecast is \$1.946, with a price objective of \$227.71.
- **April 26:**
 - Popular, Inc. (BPOP), The earnings per share forecast is \$2.035, with a price objective of \$73.67.

- **April 27:**
 - Amazon (AMZN), The earnings per share forecast is \$0.2151 with a price objective of \$137.38.
- **April 28:**
 - Evertec (EVTC), with a price objective of \$36.20.
- **May 4:**
 - Apple (AAPL), The earnings per share forecast is \$1.429, with a price objective of \$170.39.

The results for the corporate earnings parade are moving full speed ahead, with more than 100 companies reporting earnings and 84% showing better-than-expected results.

The bar is set high for both the tech sector and the Puerto Rico public companies' earnings expectations are higher for 1Q23. For the tech sector, which is leading the market with the tech-heavy Nasdaq Composite recording a year-to-date return of 15.31%, the results bar is set relatively high, and We shall soon see.

The Debt Ceiling

Finally, The U.S. Debt Ceiling Debate is gaining momentum. Our sources tell us that we should expect House Speaker McCarthy to present a \$4 trillion spending reductions mandate in exchange for raising the debt limit, which could be voted on as early as Wednesday.

If the Debt Ceiling is not raised, the U.S. Government could default on its obligations, a scenario no politician wants to entertain; however, in the interim, the theatrics and grandstanding will continue until a deal is reached.

Key Economic Data:

- **U.S. Retail Gas Price:** rose to \$3.769, up from \$3.703 last week, increasing 1.78%.
- **Germany Ifo Business Climate Index:** rose to 93.60, up from 93.20 last month, increasing 0.43%.
- **Germany Ifo Business Expectations Index:** rose to 92.20, up from 91.00 last month, increasing 1.32%.
- **Germany Ifo Business Situation Index:** fell to 95.00, down from 95.40 last month, decreasing - 0.42%.

Puerto Rico COVID-19 Update:

- Daily Cases: 56
- Positivity Rate: 11.86%
- Hospitalizations: 89
- Deaths: 2
- Source P R. Department of Health.

Eurozone Summary:

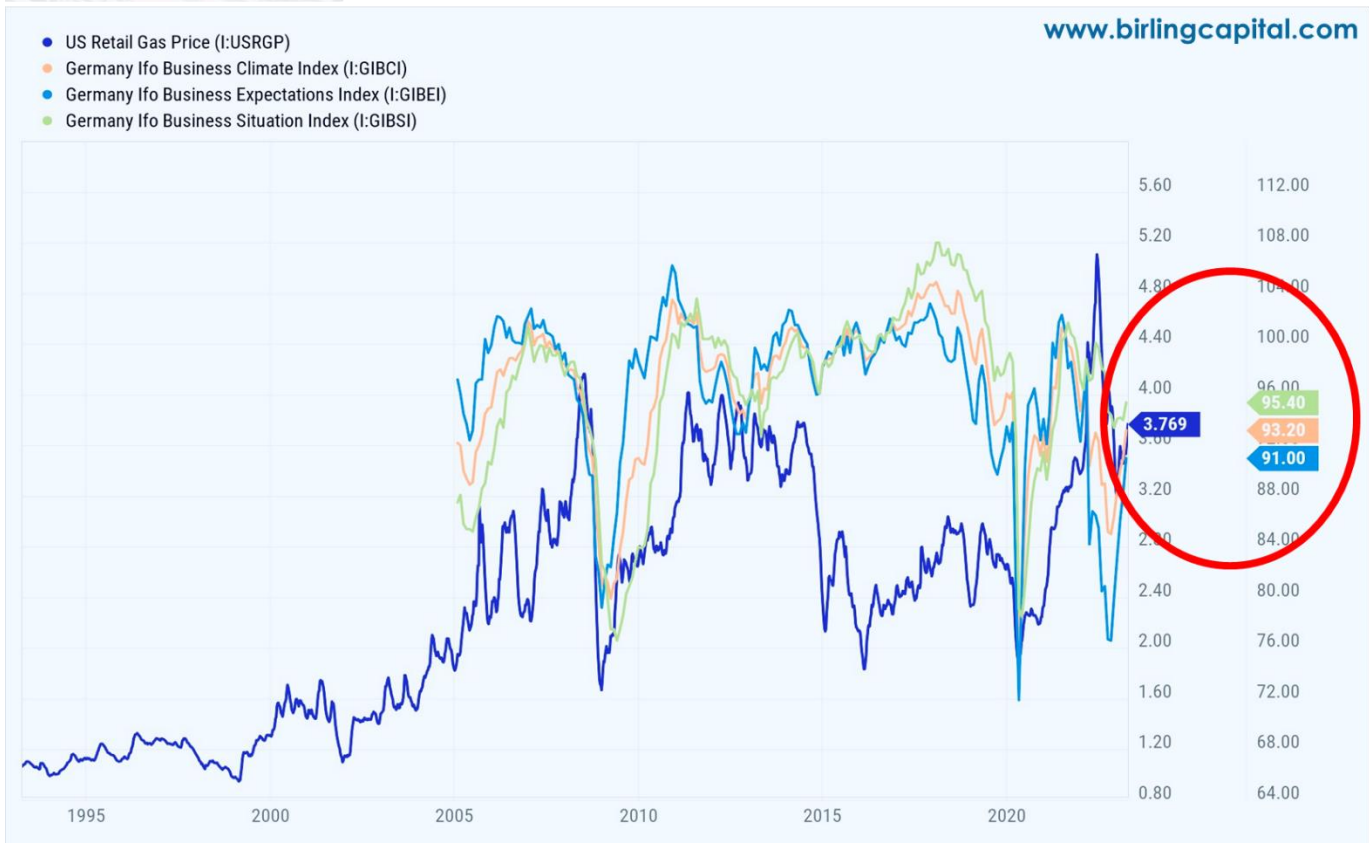
- Stoxx 600 closed at 468.97, up 2.20 points or 0.47%.
- FTSE 100 closed at 7,912.20, down 1.93 points or 0.024%.
- Dax Index closed at 15,863.95, down 17.71 points or 0.11%.

Wall Street Summary:

- Dow Jones Industrial Average closed at 33,875.40, up 66.44 or 0.30%.
- S&P 500 closed at 4,137.04, up 3.52 points or 0.09%.
- Nasdaq Composite closed at 12,037.20, down 35.25 points or 0.29%.
- Birling Capital Puerto Rico Stock index closed at 2,372.03, up 15.83 points or 0.67%.
- Birling Capital U.S. Bank Stock Index closed at 3,785.30, down 3.36 points or 0.09%.
- U.S. Treasury 10-year note closed at 3.52%.
- U.S. Treasury 2-year note closed at 4.12%.



US Retail Gas Price, Germany Ifo Business Climate, Germany Ifo Business Expectations & Germany Business Situation Indexes





Wall Street Recap

April 24, 2023

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• Dow Jones Industrial Average Level



• S&P 500 Level



• Nasdaq Composite Level



• Birling Capital Puerto Rico Stock Index Level



• Birling Capital U.S. Bank Index Level





Dow Jones Industrial Average, S&P 500, Nasdaq Composite & Birling Puerto Rico Stock Index Year-to-Date Returns



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