

Inflation in Focus, CPI fell to 3.14%, and on deck the Fed's Tightrope Act: Powell Expected to Address Inflation and Rate Action.

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The U.S. and European stock markets closed the session with mixed results; on Wall Street, today's driver was the Consumer Price Index and Core CPI readings, which were close to expectations. Headline CPI moved lower in November to 3.14% YoY, below last month's 3.24%, but above the Inflation Nowcasting of 3.04%. Core CPI fell to 3.99%, below last month's 4.02%, and below the Inflation Nowcasting of 4.03%. These readings are the lowest year-over-year increase since June. Today's inflation report was essentially in line with expectations, and it supports the Fed as it decides to maintain rates at its current range.

The investors' attention will be solely on tomorrow's FOMC meeting, which shall offer the Fed's interest rate announcement and the FOMC's final Summary of Economic Projections for 2023.

The latest consensus estimates have a 100% chance of rates remaining unchanged following the Fed's meeting.

Following the meeting, we expect that Fed Chair Powell would affirm that the Fed continues to focus on its 2% Inflation target, and with the CPI at 3.14%, the target is 36.30% away; thus, declaring an inflation beat would be premature.

European markets closed mostly down, while Asian markets finished higher.

Oracle Corporation (ORCL) experienced a disappointing Q2 with a revenue shortfall compared to consensus estimates. The company's cloud expansion fell short again, highlighting its reliance on migration efforts. While Oracle reported a 24% increase in cloud revenue year-over-year, it fell short of guidance. As of today, Oracle's stock price fell -12.46% or -\$14.44 to close at \$100.79.

The five indices we follow YTD returns are as follows:

- **Nasdaq Composite** has a return of **38.86%**.
- **Birling Capital Puerto Rico Stock Index** has a return of **26.61%**.
- **S&P 500** has a return of **20.95%**.
- **Dow Jones Industrial Average** has a return of **10.35%**.
- **Birling Capital U.S. Bank Stock Index** has a return of **8.77%**.

Key Economic Data:

- **U.S. Consumer Price Index YoY:** fell to 3.14%, compared to 3.24% last month.
- **U.S. Core Consumer Price Index YoY:** fell to 3.99%, compared to 4.02% last month.

- **U.S. Consumer Price Index MoM:** rose to 0.10%, compared to 0.04% last month.
- **U.S. Core Consumer Price Index MoM:** rose to 0.28%, compared to 0.23% last month.
- **U.S. Inflation Rate:** fell to 3.14%, compared to 3.24% last month.
- **U.K. ILO Unemployment Rate:** Ages 16-64: rose to 4.40%, compared to 4.30% last month.

Eurozone Summary:

- **Stoxx 600** closed at 472.72, down -0.98 points or 0.21%.
- **FTSE 100** closed at 7,542.77, down -2.12 points or 0.03%.
- **Dax Index** closed at 16,791.74, down 2.69 points or 0.016%.

Wall Street Summary:

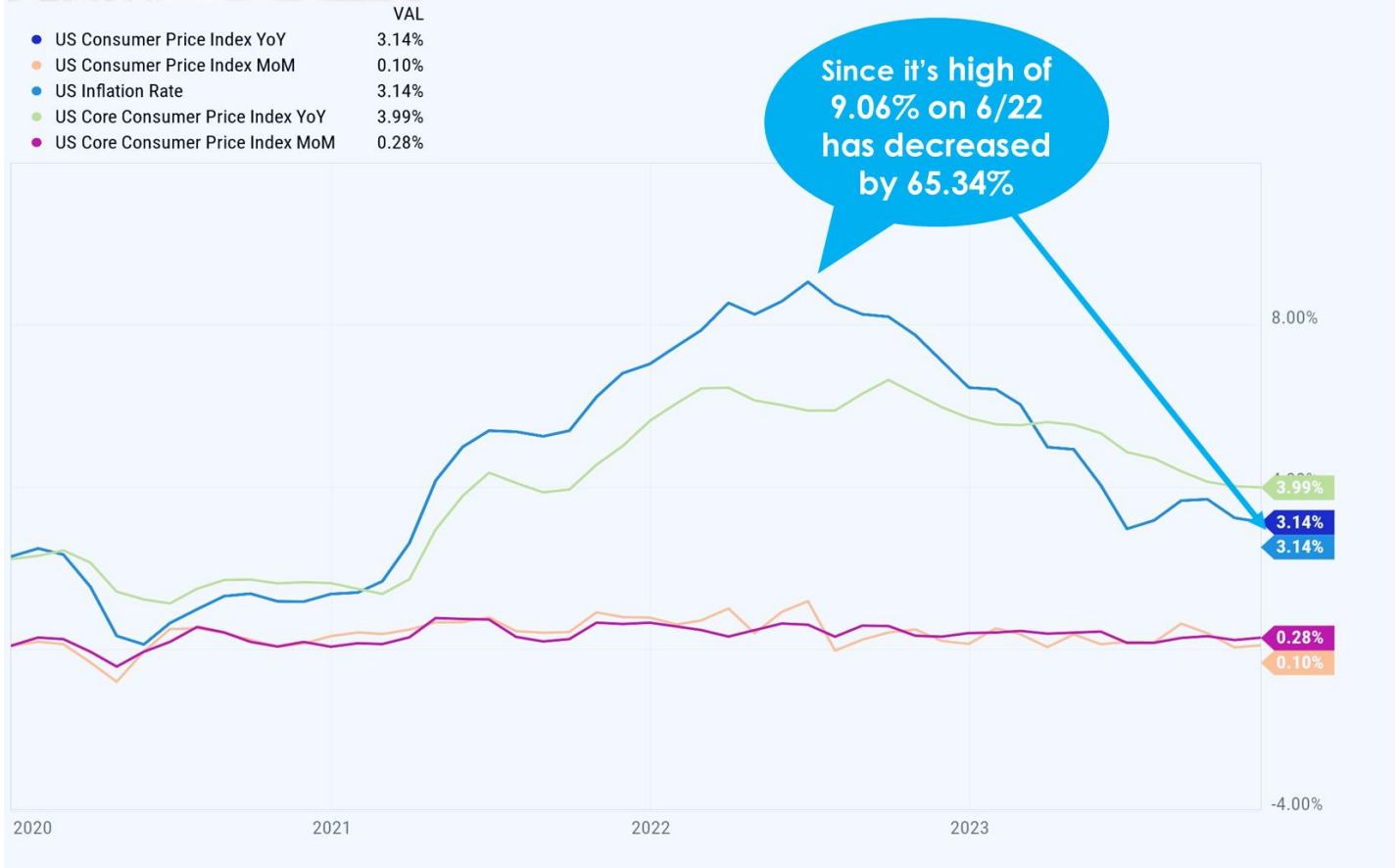
- **Dow Jones Industrial Average** closed at 36,577.94, up 173.01 points or 0.48%.
- **S&P 500** closed at 4,643.70, up 21.26 points or 0.46%.
- **Nasdaq Composite** closed at 14,533.40, up 100.91 points or 0.37%.
- **Birling Capital Puerto Rico Stock Index** closed at 3,191.50, down 10.39 points or 0.32%.
- **Birling Capital U.S. Bank Stock Index** closed at 4,010.10, down 5.62 points or 0.14%.
- **U.S. Treasury 10-year note** closed at 4.20%.
- **U.S. Treasury 2-year note market** closed at 4.73%.



Inflation Nowcast

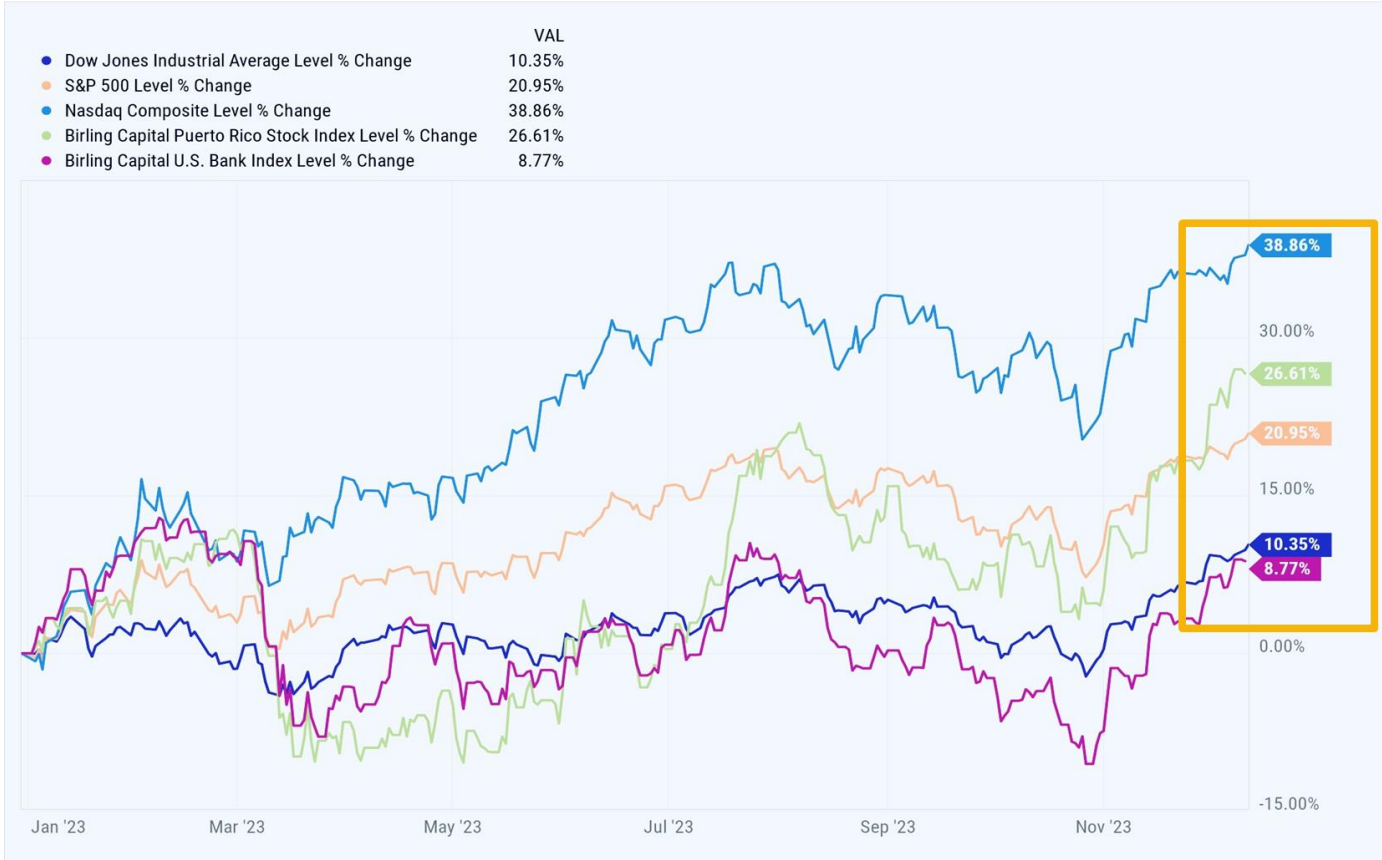
Inflation Nowcasting	CPI Forecast	CPI Actual	Core CPI Forecast	Core CPI Actual
November	3.04%	3.14%	4.06%	3.99%

US CPI YoY, US Core CPI YoY, US Inflation Rate, US CPI MoM & US Core CPI MoM





Dow Jones Industrial Average, S&P 500, Nasdaq Composite, Birling Puerto Rico Stock Index & Birling US Bank Index YTD Return

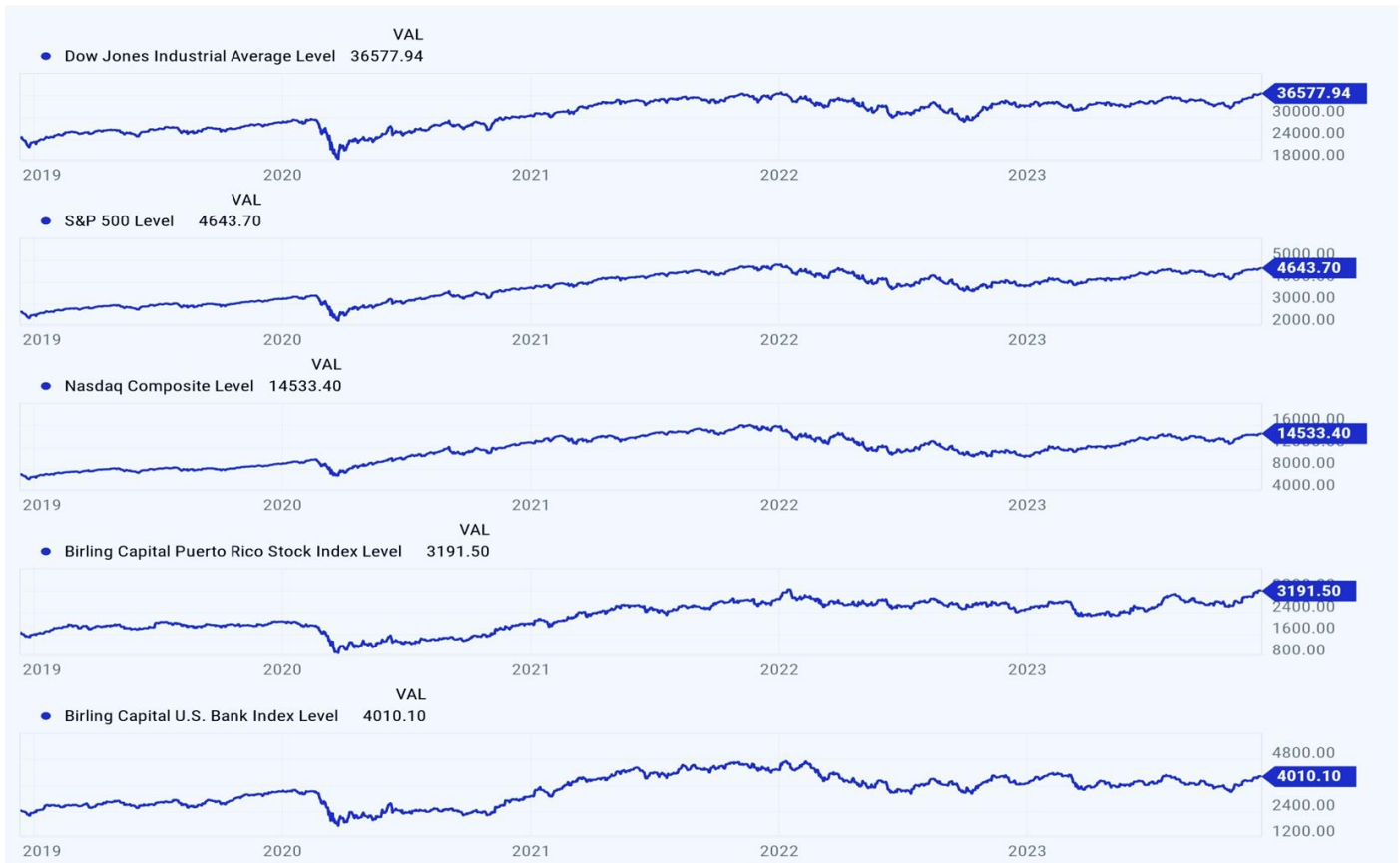




Wall Street Recap

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