



## GLOBAL MARKET SQUARE



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# 2023 Closes with U.S Indices with double-digit returns, Sectors to Watch in 2024, and Wall Street Ends Lower.

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The U.S. and European stock markets closed the year with asymmetrical results; however, if we look at the whole year, the results have been spectacular on both sides of the Atlantic. Today, Wall Street ended with slight losses, but on a weekly basis, all the five indexes we follow record gains, as follows: Dow Jones with 0.76%, S&P 500 with 0.49%, Nasdaq Composite with 0.32%, Birling Puerto Rico Stock Index with 1.06% and the Birling U.S. Bank Index with 1.30%.

As we look at how each sector ended 2023, it provides not only the year returns but a solid key for opportunities for investment during 2024; we rank them from best to worst Year-End Return:

1. **Technology 55.15%**
2. **Communication Services 52.32%**
3. **Consumer Cyclical 39.30%**
4. **Industrials 16.21%**
5. **Basic Materials 10.56%**
6. **Financial Services 10.29%**
7. **Real Estate 9.67%**
8. **Healthcare 0.29%**
9. **Consumer Defensive -3.58%**
10. **Utilities -10.06%**

As you can note, six of the ten sectors delivered double digits returns, eight positive returns, and only two had negative returns for the year; as we enter a new cycle in 2024, this new phase will bring lower inflation and lower rates, allowing for a strong assets rotation to diversify your portfolios.

The U.S. 2-year Treasury yield declined to close at 4.23%, while the 10-year yield increased, closing at 3.88%.

As we enter 2024 next week, the year begins with several key labor metrics that are due to report, including Wednesday's JOLTS job opening reports, which, as you know, have been trending lower, with Job openings at 8.733 million down from their year high in January 2023 10.56 million a decrease of 17.30% and Job Seekers which were 5.107 million and maintained a deficit of 71% highlighting the imbalance between supply and demand for labor. We expect the employment situation report on Friday, which will provide nonfarm payrolls, average hourly earnings, and the unemployment rate. While we expect labor-market conditions will ease in the coming year, we don't expect a meaningful spike in unemployment.

Looking ahead to 2024, we note that all fundamental factors are present, allowing for an optimistic view of the new year.

### Key Economic Data:

- **U.S. Crude Oil Production:** rose to 410.70 million, up from 397.57 million last month, increasing 3.30%.
- **Japan Housing Starts YoY:** fell to -8.48%, compared to -6.29% last month.

### Eurozone Summary:

- **Stoxx 600** closed at 479.02, up 0.94 points or 0.20%.
- **FTSE 100** closed at 7,733.24, up 16.50 points or 0.14%.
- **Dax Index** closed at 16,751.64, up 50.09 points or 0.30%.

### Wall Street Summary:

- **Dow Jones Industrial Average** closed at 37,689.64, down 20.56 points or 0.05%
- **S&P 500** closed at 4,769.83, down 13.52 points or 0.28%.
- **Nasdaq Composite** closed at 15,011.35, down 83.78 points or 0.56%.
- **Birling Capital Puerto Rico Stock Index** closed at 3,375.26, up 5.09 points or 0.15%.
- **Birling Capital U.S. Bank Stock Index** closed at 4,373.44, up 11.12 points or 0.25%.
- **U.S. Treasury 10-year note** closed at 3.88%.
- **U.S. Treasury 2-year note market** closed at 4.23%.



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## Dow Jones, S&P 500, Nasdaq Composite, Birling P.R. Stock Index & Birling U.S. Bank Index 2023 Performance

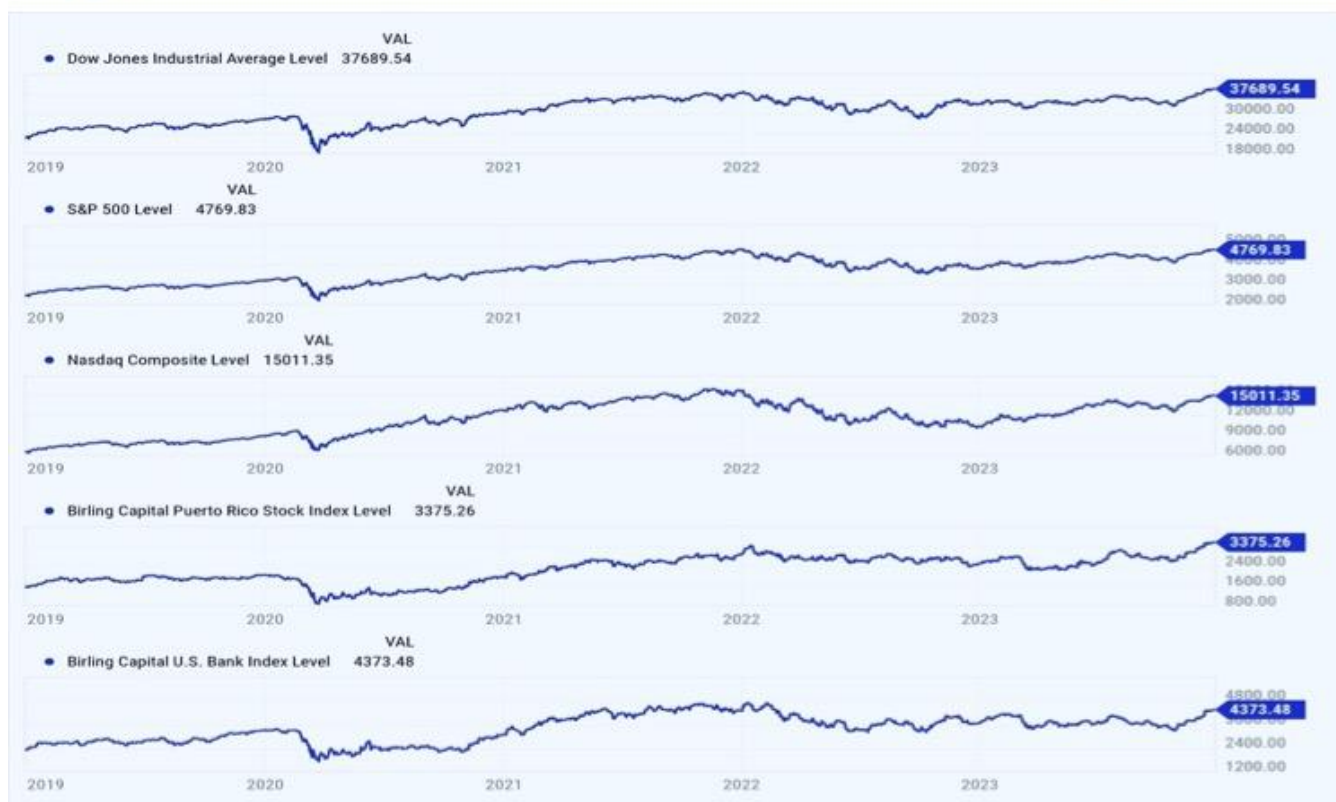




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## Wall Street Update December 29, 2023

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