

**Housing Starts rose 7.01%; Building Permits fell -4.41%; the 30-year Mortgage rate reached 8%; and Wall Street tanks.**

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The U.S. and European stock markets closed with losses, with investors dealing with higher interest rates and geopolitical headlines as the key focus.

Additionally, the U.S. treasury yield for the 10-year note surpassed 4.90%, taking the 30-year fixed mortgage rate to 8% for the first time since 2000 and higher than the long-term average of 7.74%.

The upside trend is happening due to the Fed's commentary on maintaining higher rates for longer.

European and Global equities are also closed down, while oil of the benchmark West Texas Intermediate rose to 88.40, up 2.01%, as oil supply becomes quite uncertain.

In economic news, the U.S. housing starts reported today rose 7% in September, while the U.S. Building Permits fell to -4.41%, which describes an asymmetric housing market marred by opposing forces, and with the 30-year Mortgage Rate reaching 8%, we expect a further decrease in the housing markets, and already mortgage applications are down 21% this week compared to last year.

Also, the latest global bank to report earnings was Morgan Stanley delivered a revenue increase of 2.21%, while net income fell -8.51 %; even though it beat estimates, its stock tanked now after the market closes. Tesla and Netflix are due to report their earnings, followed next week by Alphabet, Amazon, Meta, and Microsoft.

### **Corporate Earnings Parade:**

- **Morgan Stanley (MS):** reported 3Q23 revenues of \$13.273 billion, up 2.21%, and Net Income of \$2.408 billion, down -8.51%, and reached earnings per share of \$1.38, missing estimates. The stock has a price objective of \$98.57, and it closed today at \$74.88, down -6.78%.
- **Abbott Laboratories (ABT):** reported 3Q23 revenues of \$10.143 billion, down 2.6%, and Net Income of \$1.436 billion, up 0.1%. Abbott reached earnings per share of \$1.14, beating estimates, and it has a stock price objective of \$120.72. and it closed today at \$95.63, up 3.79%.

### **Key Economic Data:**

- **U.S. Housing Starts:** rose to 1.358 million, up from 1.269 million last month, increasing 7.01%.
- **U.S. Building Permits:** fell to 1.473 million, down from 1.541 million last month, down -4.41%.
- **Eurozone Consumer Price Index YoY:** fell to 4.34%, compared to 5.24% last month.

- **U.K. Consumer Price Index YoY:** is unchanged at 6.70%, compared to 6.70% last month.
- **U.K. Core Consumer Price Index YoY:** fell to 6.07%, compared to 6.19% last month.
- **China Real GDP YoY:** fell to 4.90 %, compared to 6.30% last quarter.

### Eurozone Summary:

- **Stoxx 600** closed at 445.02, down 4.74 points or 1.05%.
- **FTSE 100** closed at 7,588.00, down 87.21 points or 1.14%.
- **Dax Index** closed at 15,094.91, down 156.78 points or 1.03%.

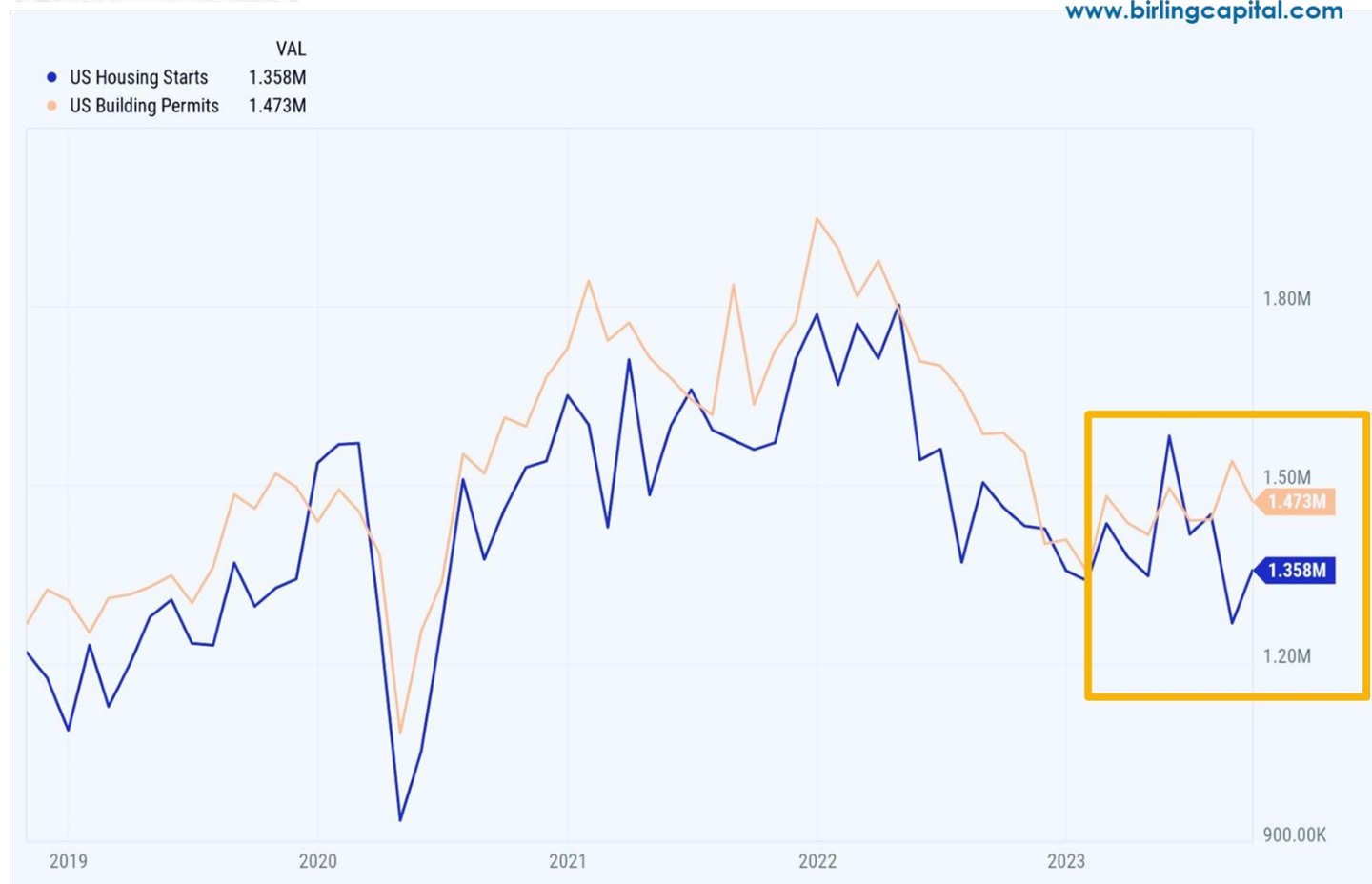
### Wall Street Summary:

- **Dow Jones Industrial Average** closed at 33,665.08, down 332.57 points or 0.98%.
- **S&P 500** closed at 4,314.60, down 58.60 points or 1.34%.
- **Nasdaq Composite** closed at 13,314.30, down 219.44 points or 1.62%.
- **Birling Capital Puerto Rico Stock Index** closed at 2,803.90, up 36.74 points or 1.05%.
- **Birling Capital U.S. Bank Stock Index** closed at 3,601.51, up 23.39 points or 0.65%.
- **U.S. Treasury 10-year note** closed at 4.90%.
- **U.S. Treasury 2-year note market** closed at 5.19%.



## US Housing Starts & US Building Permits

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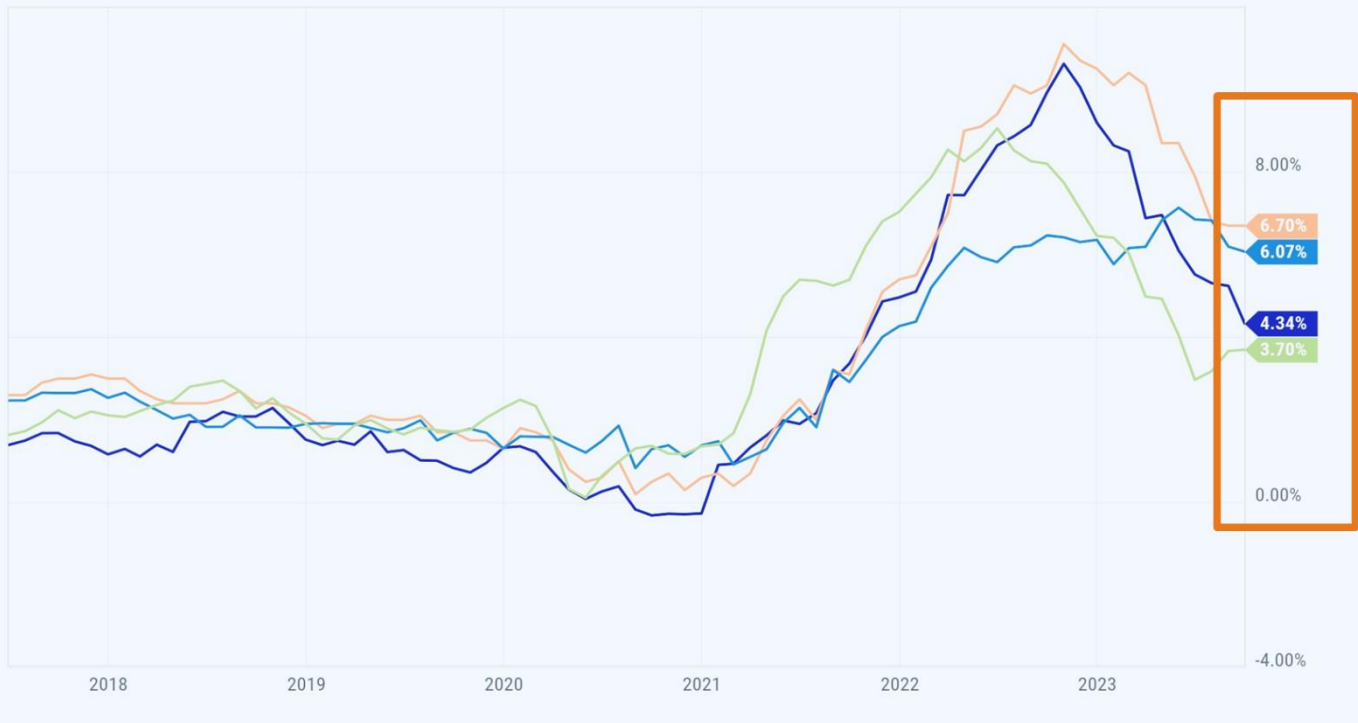




# Eurozone Consumer Price Index, UK Consumer Price Index, UK Core CPI vs US Consumer Price Index

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|-------------------------------------------------|-------|
| ● Eurozone Consumer Price Index YoY (I:ECPIYY)  | 4.34% |
| ● UK Consumer Price Index YoY (I:UKCCXRBU)      | 6.70% |
| ● UK Core Consumer Price Index YoY (I:UKCCPIYY) | 6.07% |
| ● US Consumer Price Index YoY (I:USCPIYY)       | 3.70% |

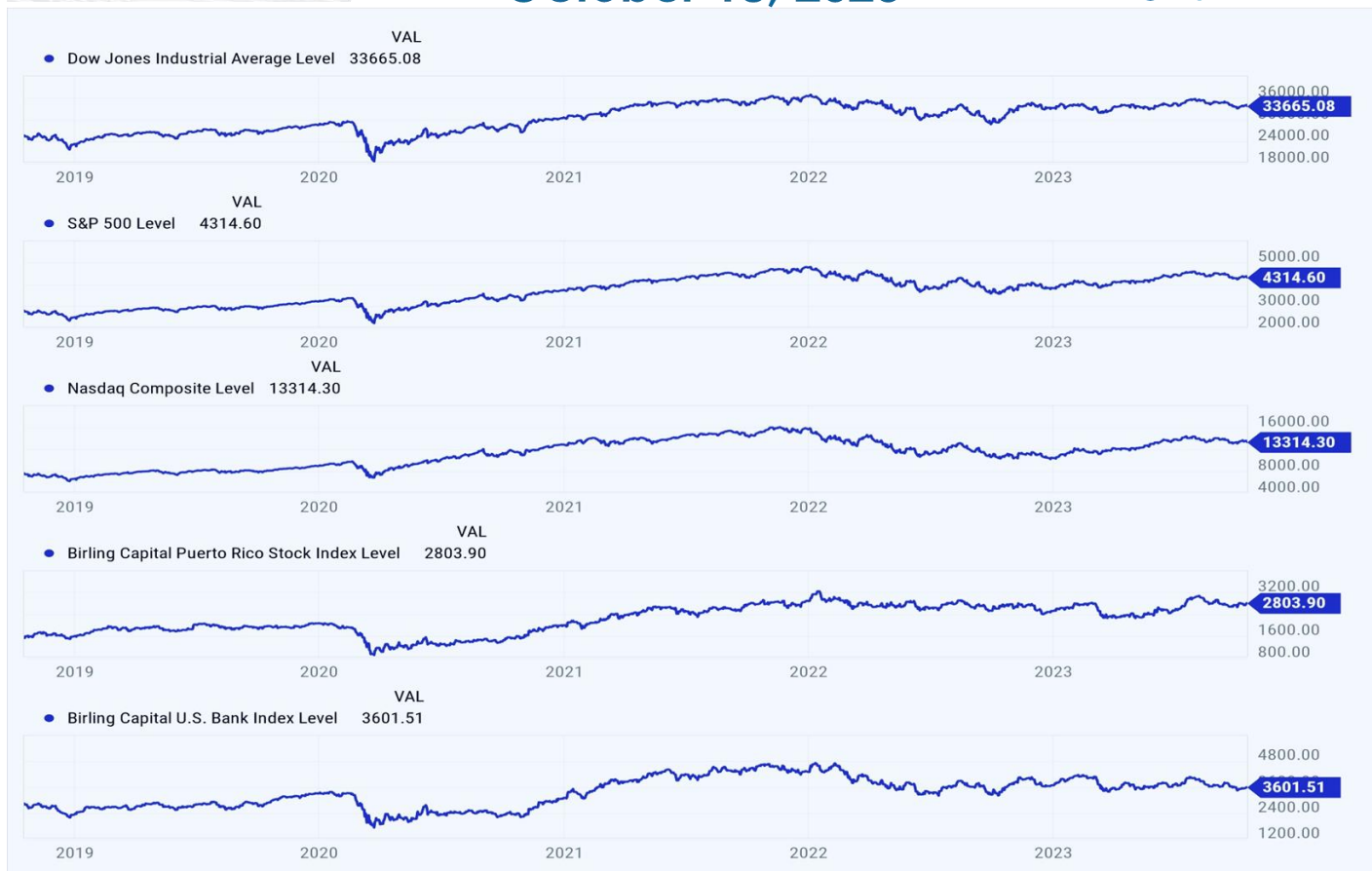




# Wall Street Recap

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