



Wall Street fell as investors focused on inflation and higher interest rates, while regulators favored stricter rules for banks with \$100 billion in assets.

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The U.S. and European stock markets closed with mixed results as investors shifted from the banking crisis of confidence to a renewed focus on rising interest rates, and the 2-year U.S. Treasury note rose to close at 4.02%. The other issue in investors' minds is the current banking turmoil that will develop into a period of tightening of lending standards as banks need to bolster their balance sheets, and some may have to raise capital. One example is Commercial Real Estate, of which the CMBS spreads are now at the broadest level since 2020, indicating investors expect defaults to increase.

The other issue impacting the markets and inflation is the persistent shortage of automobiles and houses that combines the maintaining inflation elevated. Both problems prove that the Fed has a long way to curb inflation.

The crisis of confidence that spread thru U.S. regional banks has abated with the combined efforts of the Fed, FDIC, and Treasury.

However, bank stocks fell following a hearing at the Senate Banking Committee, during which regulators favored stricter rules for banks with more than \$100 billion in assets.

#### **FDIC's Remarks by Chairman Martin J. Gruenberg**

It may be worth your while to read the FDIC's Chairman's Remarks by Chairman Martin J. Gruenberg on Recent Bank Failures and the Federal Regulatory Response before the Committee on Banking, Housing, and Urban Affairs, United States Senate. To read it click here:

[FDIC: Speeches & Testimony - 3/27/2023 - Remarks by Chairman Martin J. Gruenberg on Recent Bank Failures and the Federal Regulatory Response before the Committee on Banking, Housing, and Urban Affairs, United States Senate](#)

In Europe, markets closed mixed, while in Asia, markets closed higher.

#### **Key Economic Data:**

- **Case-Shiller Composite 20 Home Price Index YoY:** fell to 4.66%, compared to 6.79% last month.
- **Case-Shiller Home Price Index: National:** fell to 297.08, down from 298.12 last month, decreasing -0.35%.
- **Richmond Fed Manufacturing Index:** fell to -16.00, down from -11.00 last month.

## Puerto Rico COVID-19 Update March 28:

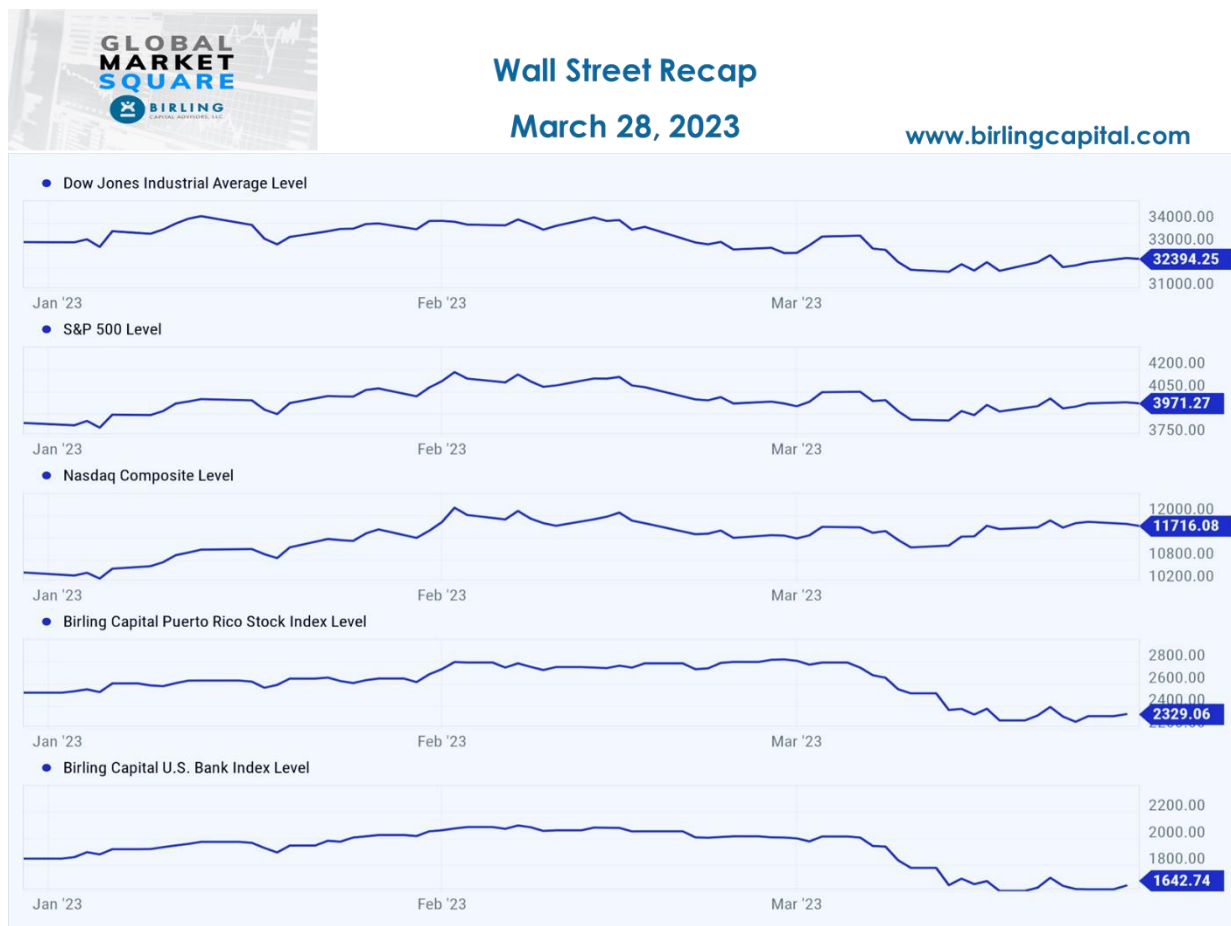
- Daily Cases: 69
- Positivity Rate: 12.29%
- Hospitalizations: 92
- Deaths: 3
- Source P R. Department of Health.

## Eurozone Summary for March 28:

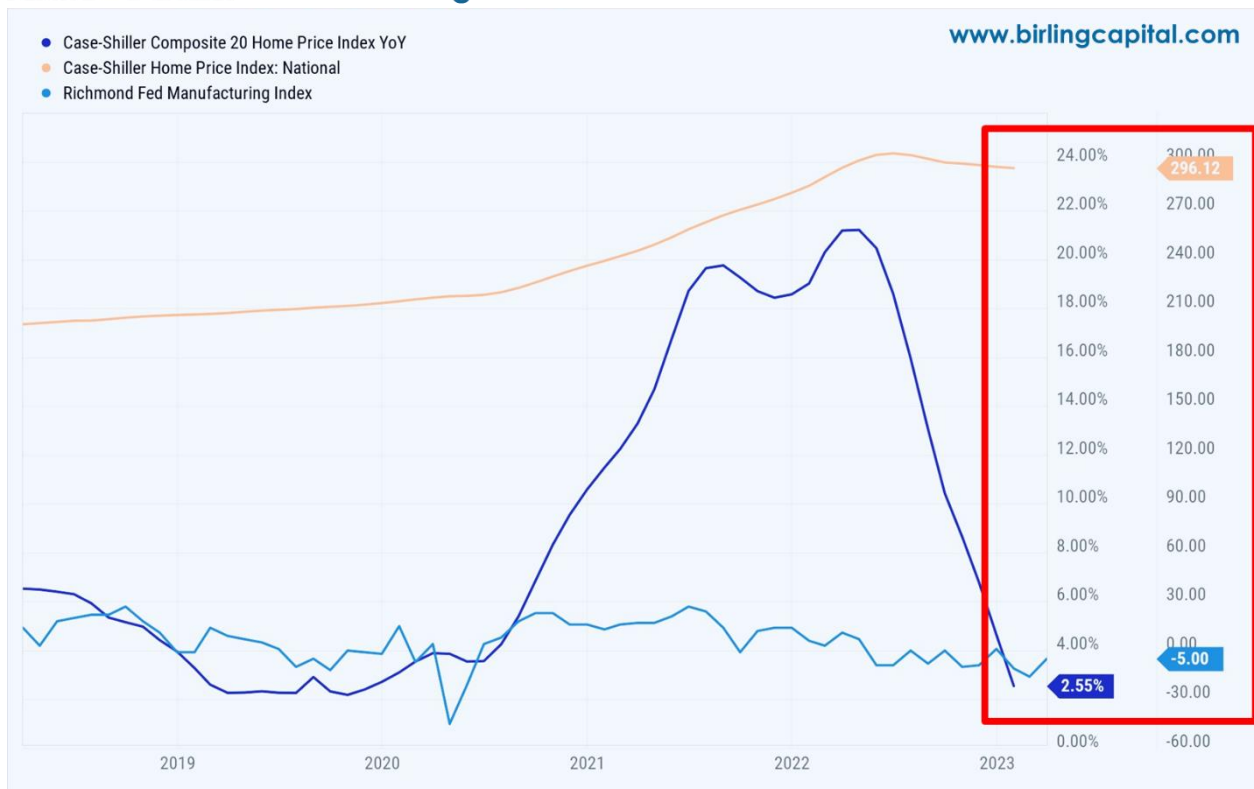
- Stoxx 600 closed at 444.58, down 0.14 points or 0.031%.
- FTSE 100 closed at 7,484.25, up 12.48 points or 0.17%.
- Dax Index closed at 15,142.02, up 14.34 points or 0.095%.

## Wall Street Summary for March 28:

- Dow Jones Industrial Average closed at 32,394.25, down 37.83 or 0.12%.
- S&P 500 closed at 3,971.27, down 6.26 points or 0.16%.
- Nasdaq Composite closed at 11,716.08, down 52.76 points or 0.45%.
- Birling Capital Puerto Rico Stock index closed at 2,329.06, up 17.83 points or 0.77%.
- U.S. Treasury 10-year note closed at 3.55%.
- U.S. Treasury 2-year note closed at 4.02%.



## Case-Shiller Composite 20 Home Price Index YoY, Case-Shiller Home Price Index: National & Richmond Fed Manufacturing Index



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